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ALFONSIN TO VISIT U.S., CANADA, SOVIET UNION

PY132141 Buenos Aires TELAM in Spanish 1107 GMT 13 Aug 86

[Text] Buenos Aires, 13 Aug (TELAM) -- LA NACION today reported that according to government sources President Raul Alfonsin will visit the United States again next November on an official tour that will also include a 3-day visit to Canada.

The daily did not give the dates of the visits, but the sources indicated that the visit to the United States will be made reportedly to visit five or six U.S. cities in answer to invitations from several U.S. universities.

The report also indicates that there is the possibility that President Alfonsin may contact high-level Washington officials, including President Ronald Reagan.

According to the newspaper this trip would be justified in the face of the U.S. subsidies for its grain exports to the Soviet Union and the PRC and the funds approved to help the contras in Nicaragua, which is heating up the situation in Central America.

LA NACION reports that Alfonsin will visit Montreal and Ottawa, where he will meet with Prime Minister Brian Mulroney.

LA NACION also added that Alfonsin will visit the Soviet Union from 12 to 19 October and that the sources also indicated the possibility that during this tour Alfonsin could make a brief stop in Poland and perhaps Sweden after the Moscow visit.

PRESIDENT TO ATTEND ZIMBABWE NONALIGNED MEETING

PY132335 Buenos Aires DYN in Spanish 1237 GMT 12 Aug 86

[Text] Buenos Aires, 12 Aug (DYN) -- Reliable sources have noted that President Raul Alfonsin will attend on 30 August the meeting of the Nonaligned Movement in Harare, Zimbabwe, because the government is interested in actively participating in the Nonaligned Movement.

In principle Alfonsin is scheduled to visit only Zimbabwe where he will stay for "a couple of days," and where he will deliver a speech. After this he will return to Buenos Aires, but he might visit another country.

According to the same sources, Alfonsin has been offered the presidency of the Nonaligned Movement. The offer was made by Yugoslavia and Brazil because the term of the present president, India's Rajiv Gandhi, ends this year.

It was also noted that President Alfonsin rejected the offer mainly because of what he believes is the "precarious condition" of the Argentine foreign service.

The same sources added that if Alfonsin presides over the Nonaligned Movement, the Foreign Ministry would have to virtually double its work abroad because about 100 Argentine embassies would automatically become the headquarters of the Nonaligned Movement and would have to look after its operations in the various member-countries and to set up a structure, which, because of the present budget cuts, cannot be established.

The sources noted that despite Alfonsin's refusal, Argentina's interest in the movement remains intact and that the recent statements and positions upheld by Alfonsin in the Group of Six meeting and regarding the Central American situation shows that the Radical Civic Union [UCR] administration has not undergone a change in favor of the United States. It is still striving to maintain a distance from the two superpowers, despite the fact that it identifies itself with the Western nations.

FOREIGN MINISTRY DENIES ARMS SALES TO S. AFRICA

PY140156 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2205 GMT 13 Aug 86

[Text] Buenos Aires, 13 Aug (NA) -- The Argentine Foreign Ministry today rejected reports that Argentina is planning to sell arms to South Africa. According to the ministry, these reports "are totally groundless" and designed to "sow discord" among countries opposing the Pretoria regime's policy of racial discrimination.

The Foreign Ministry released a communique this afternoon rejecting an article published in the Brazilian newspaper FOLHA DE SAO PAULO on Sunday, 10 August. This report, which had been picked up by Argentine news media, stated that the Argentine Government is planning to sell 27 Mirage fighter planes to South Africa. The text of the communique follows:

The Argentine Foreign Ministry wishes to make it clear that the remarks about the military materiel which the Argentine Government is planning to sell to South Africa included in an article by Roberto Lopez entitled "Sale of 27 Mirages to South Africa" and which appeared in the newspaper FOLHA DE SAO PAULO on Sunday, 10 August, are totally groundless.

Thus, the reports that various national and foreign news media carried on the article, are hereby denied.

Argentina severed diplomatic relations with South Africa on 22 May and has been strictly complying with the arms embargo established by the UN Security Council.

The disseminated reports have no other explanation than the existence of sectors which seek to sow discord among countries that, like Argentina, actively oppose racial discrimination and support the struggle of the African people against apartheid.

LAW GRANTS LAND FOR NEW FEDERAL DISTRICT

PY132208 Buenos Aires TELAM in Spanish 2216 GMT 12 Aug 86

[Text] Buenos Aires, 12 Aug (TELAM) -- Rio Negro Province Governor Osvaldo Alvarez Guerrero tonight handed over to President Raul Alfonsin a copy of Law 2086, according to which a 300,000-hectare tract of land is granted to the nation, to found the new federal district.

This announcement was made by Alvarez Guerrero at the conclusion of a meeting in which Alfonsin expressed his gratitude for the enactment of the law, which will pave the way for the solution expected by all of us.

The Rio Negro governor described this as a historical event, an important starting point from the legal viewpoint for all Argentines.

SODRE ON INFORMATICS; SALMORIA WARNS U.S.

PY131724 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Aug 86 p 24

[Text] Brasilia -- Foreign Minister Abreu Sodre yesterday again caused concern among the defenders of the reserved informatics market. In a report broadcast over Radio Nacional, he said that "Presidents Jose Sarney and Ronald Reagan will sign a cooperation treaty in September on informatics." Sodre made this statement on 9 August in Terezina but contradicted himself yesterday afternoon after realizing the concern that he had caused at Planalto Palace and at the Science and technology Ministry. According to diplomatic sources, the foreign minister has confused the act, which is normally signed at the end of all talks, with a treaty.

Correcting himself, Sodre stated Sarney and Reagan will talk about informatics only if the subject has already been completed at the round of technical talks held in Geneva, Caracas, and Paris by delegations of the two countries. He expects that 20 percent of the still-to-be-discussed issues will be settled at the Paris meeting.

"I am optimistic about the final result. I believe that after the doubts raised by the United States, the number of controversial subjects have been reduced considerably, with the possibility of reaching a satisfactory result," Sodre stated. However, he added that in case he is mistaken, there will be a third round of talks at the technical level preceding President Sarney's visit to the United States on 10 September.

In a speech delivered in the Chamber of Deputies yesterday, Deputy Odilson Salmoria [PMDB, Santa Catarina State] warned the U.S. Administration that an "authoritarian" U.S. action toward the Brazilian informatics law could cause the resurgence in Brazil of "an anti-American feeling that would have very bad consequences, not only in trade relations but also in political relations between the two countries." The deputy, who is one of the main defenders in the Chamber of Deputies of the reserve market, referred in his speech to the round of talks that began yesterday in Paris between Brazilian and U.S. representatives on this matter.

GOVERNMENT CONDEMNS SOUTH AFRICAN ATTACK

PY140201 Brasilia Domestic Service in Spanish 2200 GMT 13 Aug 86

[Text] In an official note released by Itamaraty, the Brazilian Government today condemned the military attack launched last weekend by South Africa against an Angolan military base in the Cuito Cuanavale region. The Brazilian Government repudiates this repeated aggressive action and expresses its solidarity with the Angolan Government and with all the victims of the South African aggressions.

PRESS PROHIBITED ON MILITARY TESTING GROUND

PY132114 Sao Paulo FOLHA DE SAO PAULO in Portuguese 12 Aug 86 p 5

[Text] Ruben Bayma Denys, chief of the military household, yesterday said in Brasilia that there is no chance that the press will be allowed to enter the Serra do Cachimbo testing ground.

He added: "That is a military base, it will not be opened." Presidential Spokesman Fernando Cesar Mesquita said that "the Planalto Palace is not commenting on this issue."

Therefore, the PT [Workers Party] is going to submit a request to the Armed Forces General Staff (EMFA) for a special congressional inspection of the military base in Serra do Cachimbo. PT leader Deputy Luis Dulci (Minas Gerais) stated that the PT only wants the opinion of a group of nuclear physicists regarding the information published by FOLHA, which stated that the underground installations may be used for nuclear testing.

Deputy Amaral Netto (Rio de Janeiro), leader of the PDS [Social Democratic Party] stated that he supports any congressional initiative to clarify the real objectives of the installations built in Serra do Cachimbo. However, he is not going to ask for a visit or summon the ministers for explanations because he does not expect the request to be approved by the Chamber of Deputies. He added: "Ulysses (Chamber President Ulysses Guimaraes) would not approve it."

PT Deputy Irma Passoni (Sao Paulo) on 8 August announced that she is going to summon Mines and Energy Minister Aureliano Chaves and EMFA Chief Admiral Maria do Amaral. PT Deputy Jose Genoino (Sao Paulo) also plans to summon Science and Technology Minister Renato Archer.

Rio de Janeiro Prefect Saturnino Braga of the PDT [Democratic Worker's Party] said yesterday in Rio de Janeiro that "if the Serra do Cachimbo military installations are intended for nuclear testing, the society as a whole must make the final decision, because experiments with nuclear energy involve serious risks for the population."

Organizations linked to ecology and organizations such as the Lions and Rotary Clubs have called for a meeting at 0900 on 13 August in a hall of the Mato Grosso Legislative Assembly in Cuiaba to discuss the information published by FOLHA.

URUGUAYAN PRESIDENT DISCUSSES POLITICAL ISSUES

PY130328 Rio de Janeiro O GLOBO in Portuguese 11 Aug 86 p 3

[By Antonio Jorge Moura and Linalva Maria]

[Text] Salvador -- Uruguayan President Julio Sanguinetti, who today will start the official part of his visit to Brazil, supports President Jose Sarney's proposal to establish a demilitarized peace zone in the South Atlantic. Brazil will submit this proposal at the United Nations in September.

President Julio Sanguinetti revealed his country's position yesterday during an exclusive interview granted to O GLOBO and to the program "Good Morning Bahia," broadcast by Aratu TV station. According to Julio Sanguinetti; President Sarney and Argentine President Raul Alfonsin discussed this proposal in Buenos Aires.

I totally support the idea, and I look upon the South Atlantic issue from two points of view. The first is Brazil's political and military proposal to create a demilitarized zone. The second is fishing, the Uruguayan president said.

President Sanguinetti added that Sarney's proposal "is very important, but it poses a very serious poblem that has to be resolved, namely South Africa."

He said: This problem, however, does not preclude further development of the idea.

Sanguinetti went on to say that the fishing problem is a consequence of the Malvinas war. "There is a chaotic situation in the South Atlantic. Fishing resources are being plundered, and small and large world fishing powers, like Japan, Korea, and the Soviet Union, are carrying out indiscriminate fishing."

Sanguinetti said that he will not change his agenda in Brazil. Two events scheduled to take place in Montevideo today at the same time but in different places, are drawing public attention in his country. They are the special meeting of the Military Club to confirm the position of the Uruguayan Armed Forces against trials for crimes committed during the previous regime, and the "banging of pots" organized by the left wing Broad Front demanding punishment for those guilty of these very same crimes.

The Uruguayan president downplayed both events and added that in his country there are going to be many other simultaneous gatherings "prompted by marriages, soccer games, meetings of neighborhood associations and so forth." However, members of the president's entourage indicated that Sanguinetti is being kept constantly informed of what is happening, particularly in the military area. The call for a special meeting of the Military Club prompted the Uruguayan defense minister to order the arrest of two Army colonels.

Sanguinetti talked about the situation in Brazil, Argentina, and Uruguay, three countries on the road to democracy after long periods of military rule. In his opinion, these three countries of the South Atlantic region emerged from dictatorships at almost the same time, although the circumstances prevailing in each case were different.

Sanguinetti noted that "Argentina got rid of the dictatorship through the suicide of the military regime, which involved itself in the Malvinas war. Brazil got rid of the dictatorship by achieving a solution within the regulations of the military system. Uruguay got rid of the dictatorship through an agreement between the political and the military forces to call direct presidential elections."

In Sanguinetti's opinion, Brazil thus far has an unstable political party situation. "Nevertheless, I believe that the parties will become stable in the course of time. In Uruguay, both the Colorado Party and the Blanco Party are historic parties and for that very reason they are flexible and not dogmatic. Both parties act in a center position with sectors of the left and of the right. The prevalence of the center permits stability," Sanguinetti said.

Sanguinetti also expressed his concern over the Central American issue. Uruguay, along with Brazil, supports the Contadora Group efforts to achieve a political -- not military -- way out of the Central American conflict. Nevertheless, Sanguinetti emphasized this is difficult and sometimes frustrating because final peace has not been achieved yet.

He added: "It is time to think of an alternative because if the Contadora Group fails then Central America would no doubt face a war with great losses."

Concerning the resumption of diplomatic ties between Brazil and Cuba, which is also the case with Uruguay, Sanguinetti said: "We respect the people's self-determination principle and we demand that our right to self-determination be respected. We respect the nonintervention principle. We maintain relations with right-wing and left-wing regimes. We praise peaceful coexistence."

The wise tone that President Julio Sanguinetti gave to his statements on politics and economics gave rise to a comment during the 15-minute interview held yesterday shortly before the Uruguayan presidential entourage left the hotel where it was staying, on Itapua Beach, to visit the Model Market.

A journalist of the TV Aratu television station noted: "Sir, you have proven that you are a wise man."

President Sanguinetti replied: "He who is not patient cannot be a politician."

BRIEFS

NEW RADIOBRAS PRESIDENT -- Planalto Palace Spokesman Cesar Mesquita has announced that journalist Antonio Frota Neto, government spokesman for economic related matters, was appointed by President Sarney as the new director of Radiobras, the Brazilian Radiobroadcasting Company. Sarney has instructed Frota Neto to change Radiobras into a company for spreading government news and viewpoints. [Summary] [Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 6 Aug 86 PY]

SENATOR VARGAS DIES -- Brasilia -- Senator Leoni Vargas died at 1000 on 1 August at the Armed Forces hospital in Brasilia, where he had been hospitalized in the early morning hours of 31 July following a massive heart attack. [Excerpt] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 2 Aug 86 p 5 PY]

NEW AMBASSADORS APPOINTED -- The PRC Government yesterday approved the appointment of Paulo de Costa Franco as new Brazilian ambassador to the PRC. Costa Franco has already served in Japan, Lebanon, Jordan, Thailand, and Bangladesh. Meanwhile, Italo Zappa, who was the Brazilian ambassador to the PRC, has been appointed ambassador to Cuba. He will go at the end of the month. [Text] [Brasilia Radio Nacional de Amazonia Network in Portuguese 1000 GMT 6 Aug 86 PY]

AMBASSADOR TO PARAGUAY -- General Alfredo Stroessner's government has accepted the appointment of Orlando Soares Carbonar as the new Brazilian ambassador ot Paraguay. Soares Carbonar is currently the Brazilian ambassador to Paraguay. Soares Carbonar is currently the Brazilian ambassador to the international organizations based in London. [Excerpt] [Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 9 Aug 86 PY]

CRISIS SAID TO FORCE PINOCHET TO RESHUFFLE CABINET

PY131707 Paris AFP in Spanish 1642 GMT 13 Aug 86

[Text] Santiago, 13 Aug (AFP) -- Official sources have reported that President Augusto Pinochet is facing a partial cabinet crisis following the resignation of at least one of his ministers.

This fact was learned after a surprise meeting that General Pinochet held with all his ministers. After 2 hours of debate, it was decided that the cabinet would be reorganized. The sources also stated that the cabinet reshuffle will be carried out within the next few minutes during an official ceremony and that the chief of state will address the nation.

President Speaks

PY131947 Santiago Radio Chilena in Spanish 1700 GMT 13 Aug 86

[Relay by Eliana Henriquez from La Moneda Palace]

[Excerpt] Dr Juan Giaconi Galdolfi was installed this afternoon as the new health minister, replacing Winston Chinchon. The ceremony which was held in La Moneda Palace lasted approximately 20 minutes and was conducted by President Augusto Pinochet. All ministers and government officials attended the ceremony.

After installing the new minister, President Pinochet thanked the outgoing minister for his performance and referred to his achievements in the health sector, calling on Chileans to appreciate these achievements. He also urged Chileans not to let themselves be dragged by malicious criticism into deepening conflicts that favor political chicanery.

[Begin Pinochet recording] We have witnessed an infamous campaign aimed at distorting our real situation. Those who talk about bad health services in Chile do so because they do not see the difference between the health of the population and medical attention. [passage indistinct] and restrictions imposed by the harsh economic situation have created obstacles and have not allowed the government to reach its goals in the area of medical attention. We are well aware that there are problems with the medical attention in hospitals, but we are doing everything possible to overcome these problems. [end recording] [passage omitted]

MORE ARMS FOUND; SOVIET IMPERIALISM BLAMED

PY131850 Santiago Domestic Service in Spanish 1700 GMT 13 Aug 86

[Relay by Rosa Sanchez, from La Moneda Palace]

[Text] Eighteen people are under arrest at the CNI [National Intelligence Center] facilities in connection with the discovery of a huge arsenal near Vallenar, in the 3d Region. This information is included in a communique that National Social Communications Directorate head Marcelo Venegas has just released here at La Moneda Palace.

The communique states: In connection with the terrorist facilities discovered a few days ago in Carrizal Bajo in the 3d Region, the security personnel who are conducting the investigation into this subversive activity have discovered another arms cache in the area. The newly found cache contained 56 U.S.-made automatic M-16 rifles. The security personnel are continuing their investigations in the area. The possibility of finding more arms and equipment has not yet been ruled out.

Eighteen people are under arrest at the CNI facilities in connection with investigations into this crime. Six of the detainees are being held in Santiago, and the remaining 12 in La Serena.

Venegas also released the list of the 18 arrested persons: Enrique Ayala Alvarez; Carolina Diaz Jantzen; Malva Medina Hernandez; Hector Manuel Miranda Cuevas; Mabel Roberto Rivera; Patricio Stange Espinola; Nelson Ascensio Pardo; Alex Castro (Cadi); Jorge Concha Gonzalez; Pablo Flores Castillo; (Doris Cartes Barrios); Mauricio Gomez (Roger); Carlos Manzano (Biolgo): Alfredo (Malbrith Baltra); Juan de Dios Marques Miranda; Italo (Moya Escanilla); Rafael Pascual Arias; and (Mardoceo Saavedra Silva). This list includes the six persons who were arrested near Vallenar when the first arsenal was discovered.

Minister Secretary General of Government Francisco Javier Cuadra then told journalists that the government is planning to report the discovery of the huge arsenal near Vallenar to international organizations. Cuadra explained that Chile will not only officially denounce the action, but it will also ask the rest of the world to assess this intervention by Soviet imperialism, which is trying to undermine the foundations of Chilean society. He added that the main agenda items at this morning's cabinet meeting, which was presided over by President Pinochet, were the discovery of the arsenal and its implications.

Further Details on Arrests

PY131620 Madrid EFE in Spanish 0342 GMT 13 Aug 86

[Excerpts] Santiago, 12 Aug (EFE) -- Six people were arrested early this morning by the Chilean political police for their alleged connection with the arsenal of the armed opposition Manuel Rodriguez Patriotic Front (FPMR) group. [passage omitted] The people arrested today in Santiago for alleged links with the arms case have been identified as Dr Patricia Stange Espinola, Carolina Diaz Jantzen, Victor Manuel Miranda Cuevas, Malva Medina Hernandez, Mabel Roberto Rivera, and Carolina Duran Ramirez.

The Vicariate of Solidarity of the Santiago Archbishopric today submitted a request for an injunction on behalf of the people arrested in this case, in addition to six people whose houses were raided but who were not found. [passage omitted]

Admiral Merino today said during a press conference that the arms, most of them U.S.-made and second-hand (as in the case of the M-16 rifles), were probably "taken by the Vietnamese during the Vietnam war and then taken to the Soviet Union, and from there distributed through Libya and Cuba."

According to reports released by the CNI, the arsenal discovered in Carrizal Bajo had as its final destination the FPMR groups in Santiago, Concepcion, and Temuco. Concepcion and Temuco are located 500 and 700 km south of Santiago, respectively. The CNI also reported that a connection could be established between the Movement of the Revolutionary Left (MIR) and the FPMR. The MIR overseas organization reportedly is conducting a campaign to obtain funds and weapons for the use of the FPMR in Chile.

6 Suspects Released

PY150257 Santiago Radio Chilena in Spanish 2300 GMT 13 Aug 86

[Text] The Government Social Communications Agency [Dinacos] has just reported that six of the people who had been arrested in Santiago in connection with the arms cache found in the Carrizal Bajo area in the 3d Region were released today at noon. Their names are Dr Patricia Estange Espinola, Enrique Ayala Alvarez, Carolina Diaz Jansen, Malva Medina Hernandez, Victor Miranda Cuevas, and Mabel Roberts Riveras. They had all been arrested by CNI agents between the night of 11 August and the morning of 12 August and remained under arrest in the CNI headquarters on (Gorgogno) Street.

Cuadra Comments on Cache

PY140223 Santiago Domestic Service in Spanish 2300 GMT 13 Aug 86

[Excerpts] The government will denounce in international forums the action of Soviet imperialism in our country. This action was discovered when a subversive arms cache was found in the 3d Region. The government has likewise adopted several confidential, preventive measures to preserve the safety of institutional order, citizens, and private property in view of this terrorist threat. This information was provided by Minister Secretary General of Government Francisco Cuadra, who held a press conference after the cabinet change today. He spoke to reporters about the cabinet meeting the president had held in La Moneda Palace. [passage omitted]

Minister Cuadra said that the main subject discussed at the meeting was the characteristics and consequences of the arms cache found by CNI in the 3d Region.

[Begin recording] From the political point of view, it is important to note the amount, quality, and the technological state of the seized arms and communications equipment. This proves what has been said repeatedly by the government, that terrorist groups acting in the country receive financial and administrative support, as well as military training, from other groups operating abroad. These groups have their instruction centers in the Soviet Union and in the socialist orbit countries which have defended terrorist actions in the West as a form of political expression.

Regarding this case, it is important to understand that there is enough evidence to prove that there is a connection between this highly [word indistinct] arms cache and the operations undertaken by Soviet agents and by agents trained in Cuba and Nicaragua.

In fact, some of the arrested individuals have received training in Cuba. [end recording] [passage omitted]

Generals React to Find

PY130302 [Editorial Report] Santiago Domestic Service in Spanish during its 2300 GMT newscast on 12 August carries reactions of some generals on the arms cache discovered near Carrizal Bajo in the 3d Region, in northern Chile.

Chilean Investigations Police Chief General Fernando Paredes has said that the arms cache found in the 3d Region is similar to the one found in La Larada beach, in southern Peru near the border with Chile. That cache was meant for the Shining Path terrorist group, he said.

He added that this demonstrates that the Soviets are trying to infiltrate our government and that of other countries because that is their doctrine, regardless of whether people are harmed as long as Marxism is introduced. The Soviets help Peruvian terrorist groups like the Tupac Amaru and the Shining Path, and Chilean groups like the MIR [Movement of the Revolutionary Left] and its armed branch, the FPMR.

In the same newscast, it is reported that Lieutenant General Julio Canessa was briefly interviewed after participating in a government junta meeting in the Diego Portales building. He said that the cache found in the Ballenar area is evidence of foreign intervention in Chilean domestic matters, in this case the intervention was in support of terrorism, threatening innocent Chilean people's human rights, and our progress toward full democracy according to the 1980 Constitution. Asked if the terrorists would be able to exercise their human rights, he replied that Chile is a country that respects the law. Despite that, terrorists are granted too much protection, justice must be done, which is a healthy thing.

Meanwhile, Santiago Radio Chilena in Spanish in its 2300 GMT newscast on 23 August carries a recording of Admiral Jose Toribio Merino, who was interviewed after presiding over a Government Junta meeting in the Diego Portales Building.

Merino said: Chile has 10,000 km of coastline and no more than 10 ships to patrol it. It is therefore impossible to know where to find someone. He added, "It is impossible to know where a small ship may have come ashore because of the entire coast cannot be guarded." Merino acknowledged the possibility that such a landing might occur again. Questioned about the Chilean people's doubts about the arms cache find he answered: How can the public not believe it if it is a reality, a fact? The things happened as we reported. A ship arrived from Cuba, passing through Panama, heading toward Coquimbo, but before arriving it stopped on the high seas near Chanaral or Huasco, somewhere around there, and a fishing ship approached it to transfer its cargo because the sea is calm there, and then it headed toward shore to unload the weapons. He added: The people must inform the authorities or Carabineros any time they know of something or see something unusual so that the appropriate measures can be taken. We must all remain alert, because we are at war, as we were in the times of the Huscar [Peruvian gunboat that raided the Chilean coast] during the Pacific War, when enemy ships approached the Chilean coast wherever they wanted to bombard us. When asked if we are at war he replied: We are at war against the Soviets.

Lima Embassy Accusations

PY132035 Paris AFP in Spanish 0451 GMT 13 Aug 86

[Text] Lima, 12 Aug (AFP) -- The Chilean Embassy in Peru tonight accused the Soviet fishing fleet that has been operating in Peruvian waters of giving logistical support and of being the link for the delivery of arms to the Chilean opposition with the aim of subverting order in Chile.

A 6-minute Chilean television documentary carried by Peruvian stations throughout the country shows pictures and film clips of Soviet fishing trawlers, which are regarded as part of an alleged Soviet military strategy against Chile.

The documentary states that the Soviet fleet consists of 58 ships that are fitted for electronic war and are prepared to provide the support required by Chilean subversives. The narrator of the documentary charges that most of these Soviet ships operate in Peruvian waters and are the backbone of both Soviet naval power and expansioninst ambitions in the region. He also charges that the heavy traffic of the Soviet airline Aeroflot through Jorge Chavez Airport has kept the Soviet military experts quite busy.

The documentary charges that the smuggled arms discovered recently in Chile are connected to the activities of the Soviet fishing fleet but did not expand on the connection.

The Soviet fishing fleet and Aeroflot are operating in Peru through agreements signed by the Peruvian Government and the USSR. The Peruvian Government has not yet commented on this charge by the Chilean Embassy.

After sailing for a certain period in Peruvian waters, Soviet seamen usually return home via Aeroflot. Until now, the Peruvian authorities have not confirmed the alleged entry into the country of senior Soviet officers disguised as fishermen.

Since the resumption of diplomatic relations with the USSR in 1970, right-wing Peruvian sectors have contended that the various agreements signed with the USSR are not in the best interests of the country and that they could generate espionage activities.

Yet the governments of Juan Velasco, Francisco Morales Bermudez, Fernando Belaunde, and incumbent President Alan Garcia -- under which commercial agreements with the USSR have been in force -- have never commented on these activities.

Cuban, Libyan Training Charged

PY131448 Santiago Domestic Service in Spanish 1030 GMT 13 Aug 86

[Excerpts] The extreme leftist organization members arrested in the past few days following the discovery in the third Region of one of the largest arsenals found in our country since 1973 were planning large-scale subversive actions.

The magnitude of the terrorist plan is not yet known. The investigation being conducted by security personnel a few hours ago led to the seizure of the fishing ship Astrid-Sue, which was anchored at the Coquimbo Port. Aboard the ship the security agents found evidence that the Astrid-Sue served as a link between the Soviet ships that brought weapons and explosives to Chilean waters and the three landing craft the terrorists had in Caleta Corrales. After the discovery of the terrorist beachhead, it was learned that the arsenal was to be taken to the central and southern regions of our country over the next weekend.

A CNI report released a few hours ago gave some details of the terrorist plan. The report states: Between February and March 1986, [Secretary General of the MIR] Andres Pascal Allende visited Nicaragua, where, among other things, he asked for guerilla training for 250 men in the Chinandega area under Cuban and Libyan military advisers. These extremists traveled to Panama and then sneaked into Chile. It is believed that at least 15 of them -- all of them military advisers -- went to the Carrizal Bajo area following a comprehensive plan.

The final destination of the arsenal was Santiago, Concepcion, and Temuco. Weapons may have already been sent to these cities before the discovery of the arms cache. The seized arsenal was scheduled to have been transferred starting on the afternoon of 14 August, over the long weekend.

The CNI report states that MIR spokesmen abroad have been raising funds to provide arms and equipment to Marxist groups like the Manuel Rodriguez Patriotic Front.

Early on 12 August, the fishing ship Astrid-Sue, which was anchored in Coquimbo port, was raided because of information that the ship might have been used to transport arms and explosives to Carrizal Bajo. Crew members are being thoroughly interrogated to learn more details of the vast terrorist plan. [passage omitted]

DINACOS: HELMS NEVERPASSED CLASSIFIED INFORMATION

PY131636 Santiago Radio Chilena in Spanish 2300 GMT 12 Aug 86

[Text] Here is another report on the recent events connected with the government. A report datelined today in Santiago says that, responding to journalists' requests and reiterating the declaration of the government authorities, the Government Social Communications Agency [Dinacos] officially confirmed this afternoon that neither Senator Jesse Helms nor any of his advisers have ever passed classified information to any Chilean Government official. This is the news as confirmed by a Dinacos communique.

SANTIAGO BLACKOUT CAUSED BY TECHNICAL FAILURE

PY131616 Paris AFP in Spanish 1443 GMT 13 Aug 86

[Text] Santiago, 13 Aug (AFP) -- The 1-hour electric power outage today that upset the supply in five northern, central, and southern regions of Chile on the 1,000-km-long power line was caused by a technical failure. The power outage started at 0832 and affected the area from Chanaral to San Fernando, an area in which half of Chile's 12 million inhabitants live.

In Santiago the outage paralyzed the metropolitan railway and the traffic light system during the rush hour when most children are heading for school and employees for their jobs. The police have reported that there were no serious problems in hospitals or with other essential services.

The cut in electricity affected the cities of Valparaiso, Vina del Mar, Rancagua, Los Andes, La Serena, and Copiapo, among other important cities. The National Electricity Enterprise has reported that the failure that caused the blackout occurred in a distributing station located close to San Fernando, south of Santiago.

Many of the previous blackouts in Santiago and Chile's largest cities have been caused by acts of sabotage, with the Manuel Rodriguez Patriotic Front claiming responsibility for them. This group promotes armed struggle against President Augusto Pinochet's military regime.

ARSONOUS ATTACKS REPORTED IN SANTIAGO, VALPARAISO

PY140358 Paris AFP in Spanish 0346 GMT 14 Aug 86

[Text] Santiago, 13 Aug (AFP) -- Carabineros reported today that several arsonous attacks on a large commercial facility and two buses took place tonight in Santiago and Valparaiso without causing any casualties.

The sources reported that unknown persons set up several bombs inside various shops of the post Parqua Arauco shopping mall and then detonated these bombs by remote control when the shopping mall closed down.

Several squads of firemen worked until midnight to put out the fire that caused alarm among the residents of the wealthy Las Condes suburb in eastern Santiago. Almost simultaneously, a bus was set afire in the Maipu district by several persons who then escaped.

Police sources have stated that another bus was destroyed by a Molotov cocktail thrown by unidentified individuals. No organization claimed responsiblity for the attacks, although similar attacks were recently attributed to the clandestine Manuel Rodriguez Patriotic Front (FPMR).

Cable reports datelined Buenos Aires have stated that on 15 August the Movement of the Revolutionary Left (MIR) will launch a political-military offensive against the government of General Augusto Pinochet, who on 13 September will celebrate 13 years in power. On 13 September, the MIR will celebrate its 21st anniversary. The MIR was founded at the University of Concepcion, 520 km south of Santiago.

STUDENTS PLAN SERIES OF DEMONSTRATIONS

PY120100 Santiago Radio Chilena in Spanish 1700 GMT 11 Aug 86

[Excerpts] The Chilean Students Confederation [Confech] announced in a press conference that it has scheduled a series of mobilizations beginning on 12 August with a national student vigil to promote life and justice in the Catholic University. Confech leaders Jaime Andrade, Rodrigo Paz, and Jose (Parragues) expressed their deep discontent with the attitude of Chilean justice. They likewise repudiated the strange circumstances surrounding the death of Mario Martinez.

The Confech requested the resignation of Judge Alberto Echavarria and the reorganization of the judicial branch. [passage omitted]

The student leaders also blamed the current military regime for the atmosphere of uncertainty and threats felt by the student leaders and the university community. They said that the Santiago University rector should adopt some position regarding the deaths of student Oscar Feuntes, Julio Santibanez, and Mario Martinez.

Confech leader Rodrigo Paz explained the timetable of mobilizations to start at 1200 on 12 August in Santiago and other cities.

[Begin Paz recording] We call on all students to hold a national student vigil on 12 August. We particularly request teachers and university workers to join in our vigil which will take place in main building of the Catholic University, where we expect to see the whole student movement. Our great vigil will also be held in each province and will be organized by each regional federation.

On 13 August, we call on the students to join in our great national demonstration in defense of the youth. We call on all the Santiago population to fly the flag at half mast with a black ribbon. [end recording]

A minute of silence is scheduled for 1200 and a march to the various courts of justice in the whole country at 1200.

On 14 and 20 August, we have planned a national student demonstration in favor of national unity, and a single political proposal, as well as a demonstration for justice, organized by the National Civic Assembly.

Finally, the Confech leaders said that on 27 August a mass will be celebrated in front of the Hospital del Trabajador to express solidarity with student Carmen Gloria Quintana. [passage omitted]

POLICE UNIT WATCHES CONFECH LEADER'S FUNERAL

PY111702 Paris AFP in Spanish 2316 GMT 9 Aug 86

[Excerpt] Santiago, 9 Aug (AFP) -- About 2,000 people today participated in the funeral of opposition student leader Mario Martinez Rodriguez, who was found dead under strange circumstances on a beach in the central region after he disappeared on 2 August.

The people were carrying placards of the Christian Democratic Party (PDC) which bore slogans demanding justice. They marched toward the general cemetery after attending a religious service that was celebrated by several priests at the church of the Dominican Convent.

Those attending the funeral followed the mass with deep sorrow and in silence while dozens of flower wreaths covered the coffin of the Santiago University student federation leader and Confech [Chilean Student Confederation] finance secretary.

A vicar of the university pastoral group requested that the mass be a song to life. He said it is not atime of anger.

A strong police contingent observed the mourners from a distance when they marched toward the cemetery carrying a placard that read: Comrade Mario Martinez, the seed of freedom, your death, shall be the last one.

Once at the cemetery, PDC President Gabriel Valdes praised the successful union work of the late youth and noted that we have the moral right to believe that he is a new victim of the struggle to restore democracy, freedom, and peace in Chile. [passage omitted]

JUDGE ORDERS STUDENT LEADER'S RELEASE ON BAIL

PY121414 Madrid EFE in Spanish 0206 GMT 12 Aug 86

[Text] Santiago, 11 Aug (EFE) -- Special Judge Alberto Novoa today granted student leader Gonzalo Rovira freedom on bail, subject to confirmation by the Chilean Appellate Court. Rovira, a communist and vice president of the Student Federation of Chile [FECh], has been under arrest since 30 June 1986, when the Carabineros (the Chilean militarized police) evicted students who were occupying the central building of the University of Chile. Later, on 19 July, Gonzalo Rovira was put on trial by request of the Interior Ministry, which had accused him of violating the State Security Law, charging him with promoting the disruption of public order and the overthrow of the government, in addition to provoking disorder and disrupting public tranquility.

Gonzalo Rovira, who will have to pay a bail of 10,000 pesos ($50) will be set free if the Apellate Court confirms the special judge's ruling.

FARC COMMANDER ON TALKS WITH BARCO'S GOVERNMENT

PA132054 Bogota Television Service in Spanish 1730 GMT 12 Aug 86

[Report by Ricardo Canon]

[Excerpts] We are standing beside a coca plant grown in the Caguan area in Caqueta Department. However, as part of the government's rehabilitation and pacification plans with the population in this province, the coca plants are being substituted by rubber, corn, rice, and sugarcane crops. Within the same pacification process, the community is now demanding more effective help to substitute coca with other products that may not be as profitable to improve their economic situation due to the land's low productivity, but which could help them improve their living conditions. [passage omitted]

However, technical assistance is not enough to improve the conditions of the communities in this area. They require more government attention through credits, roads, health programs, and the continuation of the peace process, as Commander Jorge of the FARC's 14th Front has stated.

[Begin recording] [Jorge] We are willing to extend the truce, and we have already made a proposal to the government in that regard.

[Canon] Would you be willing to hold direct talks with President Virgilio Barco through the secretary general?

[Jorge] Of course we would. Nevertheless, more important would be the creation of a peace commission, a broad commission capable of demanding compliance with the agreements reached with [former President] Belisario Betancur. [end recording]

However, while President Virgilio Barco Vargas has said as agrarian reform is inevitable, he also said that for the rebels to reincorporate into the country's institutional life, consolidate what has been accomplished, and advance, an institution will be created which will be directly under the president of the Republic.

14 KILLED IN M-19 CLASHES IN BELALCAZAR

PA122313 Bogota EL TIEMPO in Spanish 9 Aug 86 p 1-A, 3-A

[By James Arias and Carlos Campo]

[Excerpts] Belalcazar, Cauca, 8 Aug -- As the result of an attack and other actions staged by 300 heavily armed rebels against Belalcazar yesterday and today, seven military men and seven rebels were killed. The rebels were led by Carlos Pizarro Leongomez and Marcos A. Chalitas, both of the M-19.

The victims include Army Captain Oscar Barragan Cuevara, commander of a partol ambushed on the highway between Inza and Belalcazar. Seven soldiers were seriously wounded and another has been reported missing.

The count of the dead was confirmed by Edmundo Rivas, acting Belalcazar Mayor, to EL TIEMPO.

Belalcazar, the site of the Paez municipal goverment, is located 130 km east of Popayan on the highway to Huila.

The mayor's report was the first that the Popayan authorities received concerning the attack by the National Guerrilla Coordinating Board, which is composed of several rebel organizations.

Rivas said the guerrillas' attack began at 0430 on Thursday, when a guerrilla command attacked the police garrison. The ensuing clash between guerrillas and policemen lasted until 2100.

The police quarters and the office of the Agrarian Credit Fund [Caja de Credito Agrario] were destroyed. [passage omitted]

Cauca Governor Colonel Victor Gomez Gomez, retired, reported in Popayan that a reinforced patrol of the Jose Hilario Lopez Battalion from this city, which tried to help the Belalcazar policemen, was ambushed at Alto La Cruz, near Belalcazar.

Killed during the ambush were Capt Barragan Guevara, 35, Sergeant Luis Arredondo Becerra, and Privates Jose Ferney Rubiano Vivas, Fernando Guevara, Diego Lenis Salgado, Diego Burgos Certuche, and Alberto Jesus Quintero Palacios.

The seven seriously wounded soldiers are Ramon Puerta Aguirre, Jose Albeiro Brand Yusti, Jaime Osorio Pino, Manuel Popo Murillo, Eduardo Enrique Solis Guevara, Orlando Gomez Correa, and Nelson Orozco Buitrago. According to last minute reports, private Luis Quintero Grisales has been reported missing in action.

The guerrillas attacked the patrol with several .50 cal machine guns.

The governor also confirmed that seven rebels were killed during the taking of Belalcazar and later clashes. Two unidentified guerrillas were shot and killed in the town's square by the police. The two were buried in a common grave at the local graveyard. The burial was observed by the guerrillas said he was a Peruvian lawyer whom they did not identify. [passage omitted]

The attackers wore armbands of the M-19, the Quintin Lame Command, the Army of National Liberation, ELN, and the Popular Liberation Army, EPL. According to some witnesses, the attackers cheered the movements "Alfaro Lives" and "Shining Path" of Ecuador and Peru, respectively. [passage omitted]

BRIEFS

CHILEAN ENVOY PRESENTS CREDENTIALS -- New Chilean Ambassador Alvaro Salavadores has presented his credentials to President Belisario Betancur at the Narino Palace's Yellow room. [Summary] [Bogota EL TIEMPO in Spanish 7 Aug 86 p 6 PA]

ECONOMY MINISTER REPORTS ON DEFICIT, TAXES

PY131726 Paris AFP in Spanish 0216 GMT 13 Aug 86

[Text] Lima, 12 Aug (AFP) -- Luis Alva Castro, prime minister and economy minister, today affirmed that the state's financial administration is the best since 1981 and that the fiscal deficit for the first half of this year has been reduced to 0.5 percent of the GDP.

He recalled that under the previous administration of President Fernando Belaunde, the fiscal deficit was 2.9 percent of the GDP. He said that the fiscal deficit during the first half of this year totaled $32.3 million.

In a report to Congress on the implementation of the fiscal budget, Alva Castro said that the taxation system has changed by decreasing indirect taxes, increasing direct taxes, and lowering taxes on fuels.

The minister reported that the state's revenues during the first half of 1986 totaled $1.308 billion, which represents 21 percent more than expected. He explained that this increase resulted from the better collection of corporate taxes. One of the main taxpayers was the U.S. Occidental Oil Company, which paid $36.5 million in taxes.

Alva Castro said that the level of government expenditures surpassed the budget amount by 17.5 percent, mainly because of salary increases for civil servants, who were granted a 28.8-percent cumulative raise over a 1-year period.

POLICE DESTROY 2 AIRFIELDS, 1 COCAINE LABORATORY

PY131702 Lima Television Peruana in Spanish 0100 GMT 13 Aug 86

[Relay from Loreto]

[Text] A police patrol participating in the "Condor IV" operation yesterday destroyed two airfields and a clandestine cocaine laboratory. The report indicates that the patrol found an abandoned and dismantled clandestine laboratory in San Pedro, 300 meters from Yuracmayo Lake in Loreto. The patrol also found a clandestine airfield 2 km west of Tierra Amarilla. The airfield is 1,500 meters long and 20 meters wide, with drainage ditches on both sides and a 30-meter bridge at the top of the airfield.

The police patrol entered Tierra Amarilla to inspect the town and check the houses, but they did not find anything connected with drug trafficking. The patrol found another clandestine airfield 3 km west of San Jose de Loreto. The airstrip is 1,200 meters long and 20 meters wide with drainage ditches on both side.

The deputy interior minister, police officals, the provincial prosecutor, and reporters also visited clandestine airfields, laboratories, and installations in (Nuevo Jerusalen) and (San Jose de Yanaya). After the inspection, the provincial prosecutor wrote details of the inspection in the public record and ordered the destruction of the laboratory and installations.

INDIANS MOVE COCAINE FACTORY TO COLOMBIA

PY121618 Paris AFP in Spanish 1135 GMT 12 Aug 86

[By Hugo Levano]

[Excerpts] Lima, 12 Aug (AFP) -- About 300 Ticuna Indians have moved a modern clandestine cocaine laboratory through the Amazon Jungle from Irene, Peru, to La Concha, Colombia, to prevent its destruction. This was reported today by some of the Indians who participated in the operation.

The trip was made through the jungle's humid and suffocating heat, sometimes in boats and canoes. But the cargo was mostly carried by the natives on their shoulders through the jungle. They opened their path with machetes and crossed the many Amazon rivers and streams.

It took 4 days to move the cocaine laboratory, which had been installed by the drug traffickers in Irene, and the operation ended 48 hours before the Peruvian antidrug police squad arrived at the site on 10 August.

The Indians received $90 a day for their work. [passage omitted]

It is still not known if the drug traffickers were tipped off or if they moved as a precautionary measure. The fact is that 300 Ticuna Indians were hired to do the job. [passage omitted]

Traces indicated that a large cocaine-processing plant with its own power and air-conditioning equipment had been operating there. It was without any doubt the most important and modern plant in the area.

About 150 armed mercenaries were guarding the area, and when they escaped they raised a white flag on a 7-meter pole.

The Indians carried everything, including the cocaine base that the laboratory chemists had received from such distant places as Uchiza, Pucallpa, and Apurimac in the center and southeast of Peru, about 1,000 and 1,500 km south of Irene, respectively.

According to some of the 80 people arrested at the site, most of whom were Indians, the laboratory in Irene operated under the command of Colombian Homero Bugablia, alias La Bala, who is the deputy of the powerful Colombian drug trafficker Evaristo Porras, alias Papa Doc.

None of the important drug traffickers was arrested by the police. [passage omitted]

APRA, PAN CANDIDATES REGISTER FOR LIMA MAYORALTY

PY121923 Lima America Television in Spanish 0400 GMT 10 Aug 86

[Excerpts] APRA [American Popular Revolutionary Alliance] member Jorge del Castillo and National Vanguard [Partido de Avanzada Nacional -- PAN] member Miguel Campos Arredondo were the first candidates to register today for the upcoming Lima mayoralty office elections.

The registration took place at the Lima Provincial Electoral Court headed by Auria Saenz. [passage omitted]

The Popular Christian Party [PPC] has officially announced that Luis Bedoya Reyes will be the PPC candidate for the Lima mayor's office. Bedoya will register at the electoral court next Monday, according to Ricardo Amiel [Meza], PPC national organization secretary, at a press conference held today. [passage omitted]

Other Candidates Register

PY131728 Madrid EFE in Spanish 0248 GMT 13 Aug 86

[Excerpt] Lima, 12 Aug (EFE) -- Three candidates representing different ideological sectors will be the leading contenders for the Lima mayoralty, which is regarded as the second most important political post in the country, in the municipal election slated for 9 November. Although nine candidates registered before the 12 August deadline, the following three candidates are the leading contenders: Luis Bedoya Reyes of the conservative PPC, Christian Party; Jorge del Castillo of the ruling APRA, and Alfonso Barrantes of the United Left coalition. [passage omitted]

VAN BOMB EXPLODES; MRTA CLAIMS OTHER ATTACK

PY121451 Paris AFP in Spanish 1732 GMT 11 Aug 86

[Text] Lima, 11 Aug (AFP) -- The police today reported in Lima that a Peruvian Air Force van that was used as a car bomb exploded yesterday one block from the cathedral in Arequipa, 1,000 km south of Lima. The explosion destroyed the vehicle and damaged some neighboring houses, but caused no injuries.

The shock waves, which disturbed an otherwise peaceful Sunday in the second largest city of Peru, damaged doors and windows of houses adjoining a parking lot where the van was blown up, the source said. Security forces are pursuing a presumed Shining Path commando group that left 10 kg of dynamite in the van.

The attack, the third of this type perpetrated in Arequipa in recent months, has provoked concern among the local authorities, who fear that similar attacks might occur before 15 August, when President Alan Garcia is due to attend the Arequipa anniversary celebrations.

Meanwhile, 11 people, including a woman, were brought yesterday from Cerro de Pasco, 310 km southeast of Lima, on charges of having murdered government officials and perpetrated attacks.

The Tupac Amaru Revolutionary Movement (MRTA) last night claimed responsibility for an attack on the Government Palace on the night of 8 August. The MRTA communique says that the attack was launched after bypassing the security system of the American Popular Revolutionary Alliance (APRA) government around the Plaza de Armas. The rocket-type grenade fired against Government House did not explode.

TERRORISTS ATTACK STATE INSTALLATIONS IN LIMA

PA140438 Paris AFP in Spanish 0419 GMT 14 Aug 86

[Text] Lima, 13 Aug (AFP) -- A series of terrorist attacks against the installations of several state institutions took place tonight in Lima. The police reported that there have been no victims. The terrorists, who escaped, threw dynamite inside the National Bank, the Peruvian Telephone Company, and the Lima Potable Water Company [Servicio de Agua Potable de Lima] (Sedapal), causing considerable damage.

COURTS ACQUIT ABIMAEL GUZMAN IN ABSENTIA

PY130222 Paris AFP in Spanish 1910 GMT 12 Aug 86

[Text] Lima, 12 Aug (AFP) -- Court sources today stated that Abimael Guzman, the elusive leader of the Maoist Shining Path guerrillas, has been acquitted of the crimes of terrorism by a Lima court that also tried five alleged subversives for more than 100 attacks against public and private buildings. Judges of the 12th court section of the Supreme Court of Justice decided that Guzman, the man most-wanted by Peruvian authorities, could not be sentenced in this trial as long as he is not arrested.

A judge explained that for the time being, Guzman has been acquitted of the crimes of terrorism, but the courts will retain the indictments until he is arrested. Among the five people being tried for terrorism, the court handed down 4- to 6-year sentences for Manuel Guispirroca, Carlos Cerron, and Francisco Cayo, who shouted slogans for the armed struggle as the sentence was passed. Rosa Quintana and Delia Limaco, two young girls whom the police accused of being accomplices of the terrorists involved in the trials, were acquitted for lack of evidence.

Meanwhile, the police today at noon confirmed that commandos of the Shining Path guerrilla annihilation squad yesterday killed Republican Guard Corporal Aurelio Da Cruz del Aquila. This was reported by some suspects who were arrested after the attack perpetrated yesterday in the suburban district of Chaclacayo, 24 km east of Lima.

NATIONAL UNION PARTY LEADER GRANTS INTERVIEW

PY121753 Lima Panamericana Television Network in Spanish 0200 GMT 11 Aug 86

[Interview with National Union Party, PUN, leader Carlos Malpica (member of United Left, IU, coalition) By Fernando Vazquez broadcast on the weekly program "Panorama" conducted by Rossana Canedo; no date or place given -- recorded]

[Excerpts] [Canedo] A lot has been said about the current split within the IU, just before the holding of municipal elections. Senator Carlos Malpica expresses his views on this:

[Fernando Vazquez] Good evening Senator Malpica.

[Malpica] Good Evening.

[Vazquez] When did the IU cease to be united?

[Malpica] The IU has always been united. The problem is that this is a coalition of parties that differ on certain issues...

[Vazquez, interrupting] Are these differences important?

[Malpica] There are important disagreements on some issues, but what unites a coalition is a common platform.

[Vazquez] Does the IU have an established platform?

[Malpica] Yes it has a platform that was approved last year before the holding of general elections.

[Vazquez] On what issues are there disagreements then?

[Malpica] There are some disagreements because some people have either not read the platform or have misinterpreted it.

[Vazquez] Who for example?

[Malpica] Like [Lima Mayor] Alfonso Barrantes.

[Vazquez] But Alfonso Barrantes is the IU president.

[Malpica] Yes, he is, but I believe that he has either not read the platform or that he is distorting it.

[Vazquez] Is this why the PUN, your party, does not support Barrantes' reelection campaign?

[Malpica] Yes, this is one of the reasons why the PUN is not enthusiastic about Barrantes' candidacy and why it prefers (?Henry Price), who has a more unitarian attitude. I believe that we disagree not only about the interpretation of IU's platform, but that we also disagree with Barrantes' political behavior. [passage omitted]

[Malpica] Barrantes has also supported the government's erroneous decision to order the Armed Forces to intervene in the penal institutions.

[Vazquez] But did he indeed support the government in this?

[Malpica] Yes, he did. On 18 July he expressed support for the government's decision.

[Vazquez] But during a televised speech broadcast on 26 July, Barrantes precisely expressed the points over which the IU disagrees with the government.

[Malpica] That is true, but on 19 July [as heard] Barrantes categorically supported Alan Garcia's decision.

[Vazquez] Senator Malpica, in what aspects has Barrantes not fulfilled the IU platform?

[Malpica] In many ways, and it would be very difficult to list them all. I believe he has campaigned in favor of the APRA [American Popular Revolutionary Alliance] and I believe that his attitude in the past year has been wrong.

[Vazquez] Do you agree with those who say that Barrantes does not have majority support within IU? That he has not been a true spokesman of the opposition?

[Malpica] I would say Barrantes exercises (?questionable) leadership within the IU...

[Vazquez, interrupting] Questioned basically by you?

[Malpica] Not only by me, but by also very important IU factions. [passage omitted]

[Vazquez] What did you expect from Alfonso Barrantes? Did you expect him to be a tough opponent of the government?

[Malpica] Not necessarily a tough opponent, just an opponent. The head of the group that opposes the APRA government. But this has not been the case to my knowledge.

The role of the IU in Peru is to be the opposition. In Peru it is bad policy for opposition parties to cooperate with the government because these parties have never succeeded in subsequent elections. [passage omitted]

[Vazquez] Do you believe Barrantes will be the IU candidate in the municipal elections?

[Malpica] It looks that way.

[Vazquez] What will be your position in this regard?

[Malpica] None at all, because I do not vote in Lima, I vote in Cajamarca.

[Vazquez] Yes, but you are an IU member and you should support this candidacy in a disciplined manner.

[Malpica] But I will carry out the election campaign in Cajamarca.

[Vazquez] If Barrantes is the IU candidate for the Lima mayor's office, what will be your position in this regard?

[Malpica] As I said before, I do not vote in Lima, I vote in Cajamarca.

[Vazquez] To be more specific, are you going to campaign against Barrantes?

[Malpica] No, I have not campaigned against him and no one has said that we will campaign against him. But since there is discontent among the masses, there is a danger of a spontaneous reaction, and a refusal to campaign and vote for Barrantes. This may happen.

[Vazquez] According to Senator Enrique Bernales, some IU parties do not want to support Barrantes, but they want him to be the candidate so that he will lose the campaign. Once he loses the campaign, Barrantes will also lose the IU leadership. Do you head this position? [30-minute break in video transmission; 1-minute break in audio transmission]

[Vazquez] Do you believe that (Henry Price) is a good alternative to Barrantes?

[Malpica] Yes, I would say that he would be a better candidate than Barrantes because (Price) is not the same type of opposition leader as Barrantes. [passage omitted]

[Vazquez] If Barrantes is the IU candidate in the November municipal elections, will the IU win the elections?

[Malpica] Probably, I believe that the fight will be with the Popular Christian Party [PPC] candidate, Bedoya Reyes. I think that the APRA candidate has no chance of winning these elections.

[Vazquez] Senator Malpica thank you very much for your presence in Panorama.

[Malpica] Thank you very much and good evening.

PROTEST STAGED AGAINST AMNESTY FOR OFFICERS

PY121707 Madrid EFE in Spanish 1025 GMT 12 Aug 86

[By Alberto Pepe Leira]

[Text] Montevideo, 12 Aug (EFE) -- The first popular reaction in support of democracy and against the people who are "nostalgic for military power" was a noisy protest that included the banging of pans on the night of 11 August. A petition was submitted requesting "truth and justice" in the cases of human rights violation committed during the "de facto" regime (1973-1985) and rejecting amnesty for the military men involved in the repression. The banging on kitchen utensils and other instruments was heard in poor districts as well as downtown. Protest demonstrations were also organized in front of union headquarters and political organizations, but especially in the rank-and-file committees of the leftist Broad Front coalition.

The protest coincided with a "high-level" meeting Army Chief Lieutenant General Hugo Medina held with four former commanders during the military regime and two retired generals, who are considered "hardliners." During the private meeting held in the Army Headquarters, Gen Medina tried to have a "meeting in defense of the Armed Forces' honor" called off. The meeting was proposed by the Military Club, which is made up of active-duty and retired Armed Forces officers, who have become the sector which has criticized the administration of the 17 months of democratic government in Uruguay. The "high-level" meeting was attended by former Commanders Luis Queirolo, Boscan Montou, Jose Luis Vadora, and Pedro Arando and the last two presidents of the Military Club, General Esteban Cristi, who was chief of the 1st Army Division during the 27 June 1973 military coup, and General Ivan Pualos, retired, the former chief of intelligence.

EFE has been able to learn from reliable sources that Medina, one of the most important men in the Uruguayan democratization process, and the former commanders discussed the problem of an eventual review of the "de facto" government period and the possible trial of those who violated human rights. They also discussed the arrest of retired Colonels Domingo Pugliese and Agustin Andres ordered by Medina when they were collecting signatures to call for the meeting in defense of the Armed Forces' honor.

The Military Club has opposed any kind of review and has conveyed its "concern" over the failure of the government's efforts to gen an amnesty so as "not to irritate the Armed Forces." The position of the Military Club is different from that of General Medina, who after reaching an agreement for democratization with the political leaders in 1984 stated the Armed Forces will not permit "revenge" but that justice be done. When Medina promised to respect the election results and the elected democratic government, he said that trials against those who acted inhonestly during the military regime will be accepted. Gen Medina has clearly defined the role of active-duty officers in the face of a review which has created concern among the commanders under the military regime.

The governing Colorado Party did not support last night's protest against those who are "nostalgic for military power," and Interior Minister Antonio Marchesano himself said before leaving for Brazil to join Uruguayan President Julio Maria Sanguinetti that the "banging on pans" is "out of place."

However, this does not mean that the government is not concerned about the actions of the Military Club and its current leaders, headed by Paulo. Defense Minister Juan Vicente Chiarino himself has criticized the offiical publications of the Military Club, describing them as "deplorable."

The officers who were thrown out by the 1973 military coup are also accusing the members of the Military Club of committing "sedition." Captain Oscar Lebel, who was arrested in 1973 for opposing the military coup, has said the officers who make public statements as if they were "a party of the Armed Forces" are "committing sedition." An accusation published in the Christian Democratic weekly AQUI reflects the feelings among the retired officers of the Armed Forces. [sentence as received].

LUSINCHI FIRES OFFICIAL FOR NONCOMPLIANCE

PA120350 Caracas Television Service in Spanish 1600 GMT 11 Aug 86

[Text] President Jaime Lusinchi has ordered the dismissal of Henry Mateus Hugo, president of the National Urban Development Fund, Fondur. The reason for the high-ranking official's dismissal was that he disobeyed austerity measures Lusinchi has established.

The dismissal order issued this morning by President Lusinchi was officially announced at Miraflores Palace. This is the first time such a step has been taken against a senior official. It was also reported that the president is determined to fully enforce the austerity measures that have been enacted in view of the country's economic difficulties.

Urban Development Minister Cesar Quintana Romero has been temporarily placed in charge of Fondur.

JUSTICE ORDERS ARREST OF U.S. REPORTER

PA131806 Paris AFP in Spanish 1640 GMT 13 Aug 86

[Text] Caracas, 13 Aug (AFP) -- A judge today ordered the arrest of John Sweeney, a U.S. journalist who is director of Caracas' monthly magazine VEN-ECONOMIA and correspondent for NEWSWEEK. He has been charged with having defamed the directors of an insurance company and of Caracas' subway.

The 33-year-old journalist has been living in Venezuela for the past 10 years. He works with VEN-ECONOMIA magazine, whose editor is Joseph Mann, a correspondent for THE NEW YORK TIMES. He is also a correspondent for six publications, including NEWSWEEK, BUSINESS WEEK, METALSWEEK, and for McGraw-Hill publications.

In VEN-ECONOMIA, Sweeney published reports about the alleged corruption of the president of the firm Latinoamericana de Seguros, Orlando Castro, who according to the reports bribed directors of Caracas' subway to secure advantageous contracts with that suburban state transport enterprise.

Justice Pedro Rendron Oropeza today ordered Sweeney arrested on defamation charges. VEN-ECONOMIA sources have told AFP that Sweeney is currently in the country's interior doing journalistic work. He is the second journalist to be arrested in Venezuela in less than a month for the same reason. The director of DIARIO DE CARACAS, Rodolfo Schmidt, has been in jail for 2 weeks. A former policeman accused him of defamation.

'TEXT OF DECLARATION' OF MEXICO ISSUED 7 AUGUST

PA132052 Mexico City EL NACIONAL in Spanish 8 Aug 86 p 3

["Declaration of Mexico" issued by the Group of Six in Ixtapa, Zihuatenejo, on 7 August]

[Text] We have gathered today to proclaim humanity's right to peace and to reiterate our commitment to protect this right to make the survival of the human race possible.

Exactly 41 years ago, death and horror befell Hiroshima. The most terrible war in history came to an end, and the world's nuclear nightmare started. Since then, we have been living on borrowed time. All that is valuable and beautiful, all that civilization has aspired to and has been able to achieve might be turned into radioactive dust in a very short time.

During 4 decades the states that have nuclear weapons have had the almost exclusive responsibility to put an end to nuclear weapons while the rest of the world has been forced to remain on the sidelines. The nuclear arms race has continued and has increased. In view of the resulting danger of mutual annihilation, the distinction between the powerful and the weak makes no sense. Consequently, we are determined that countries like ours which have no nuclear arsenals will actively participate in all the aspects of disarmament. The protection of this planet concerns all people who live here, we cannot accept that a few countries decide the fate of the entire world.

The tragic accidents that recently occurred at the Chernobyl nuclear-electric plant and the launching of the space shuttle Challenger have shown once more how fragile is a security that is based only on complex technology. When an accident that occurred at a peaceful nuclear plant causes such important international reprecussions we can very clearly see the terrible consequences that may result from the use of even a small part of the nuclear weapons existing in the world. To avoid repeating the Hiroshima incident on a global level, we not only need to have more knowledge of new technology, but more wisdom. We call for an international agreement banning any use of nuclear weapons.

In January 1985, the Group of Six met in New Delhi to discuss the dangerous increase in the nuclear arms race. We then called for an immediate suspension of nuclear tests as a preliminary measure prior to the drafting of a treaty to completely ban such tests and to suspend the production and deployment of all nuclear weapons and their launchers, as well as to ban the testing, production, and deployment of space weapons. In addition we expressed our hope that the United States and the Soviet Union make rapid progress in their bilateral negotiations to abolish all nuclear weapons. Later, we were pleased about the declaration issued by President Reagan and General Secretary Gorbachev in November 1985 stating that "a nuclear war must never be waged." The moment has come to guarantee that such a war will never start. For this reason, we are deeply worried; until now, there has been no evident progress in such negotiations.

We are aware that recently these two powers have taken steps that could help overcome certain obstacles and serve as a new framework to reach agreements. We are convinced that no greater security can be achieved by increasing the destructive capacity through the accumulation of weapons; on the contrary, a true security can only be reached by reducing the weapons. Nuclear disarmament and, as a final request, the complete elimination of nuclear weapons are absolute priorities. However, within this context, we must also give due attention to the problem of a balanced reduction of conventional weapons.

We are convinced that there is nothing more pressing and crucial right now than to put an end to all nuclear tests. The qualitative and quantitative development of nuclear weapons exacerbates the arms race; the total prohibition of these tests would prevent its progress. In addition, it is obvious that the continuous improvement of nuclear weapons hinders the effort to discourage others from obtaining them. We must admit that just as it is impossible to cure a drug addict by injecting him with increasing higher dosages, it is also impossible to save from war a world that has fallen into the habit of weapons by accumulating larger arsenals. The time has come to end this.

In October 1985 and February 1986, and then again in April of this year, we exchanged letters with President Reagan and General Secretary Gorbachev. We urged them to implement a fully verifiable suspension of nuclear tests at least until their next summit meeting. We also proposed that such a suspension would be immediately followed by negotiations to sign a treaty on the complete prohibition of nuclear testing. We offered them our assistance to guarantee a proper verification of this nuclear tests suspension.

We feel encouraged by the consideration they have given our proposals and the international attention the nuclear testing issue has drawn. We reiterate the call so the unilateral moratorium on the part of one of the two nuclear powers will become, at least, a bilateral moratorium.

To arrange for the immediate halt of nuclear testing, we are presenting a separate document that offers specific help to establish the adequate mechanisms of verification. We are willing to cooperate with the United States and the USSR to establish temporary measures. These measures could greatly strengthen the trust in a moratorium of the United States and the USSR and would constitute a very important step in establishing an adequate system of verification for a treaty banning nuclear testings. Such measures might include the establishment of temporary surveillance stations in the existing test areas, arrangements for using the existing stations in the United States and the USSR with the purpose of observing their territories away from the test areas, as well as inspecting large chemical explosions. We are pleased that the United States and the USSR recently began bilateral talks on issues concerning nuclear testing. We have decided to propose to the U.S. and USSR presidents that experts of our six countries meet with Soviet and U.S. experts. The purpose of this would be to explain our proposals in detail, examine the means for putting them into practice, and analyze other feasible means whereby our six countries could arrange for the verification of a nuclear test ban. We will be strengthening our mutual cooperation to check the current tests and report this effect. Our six countries will also consider measures so that the states that have no nuclear weapons will be able to cooperate in the international mechanisms of verification related to future agreements on nuclear disarmament.

We reiterate our demand that an arms race in outer space be prevented. Space belongs to all mankind, and as beneficiaries of that common heritage of all men, we are opposed to the use of outer space for destructive purposes. We urge that there be a halt to improving antisatellite weapons, that might endanger the space activities of many countries for peaceful purposes. Likewise, we urge the U.S. and USSR leaders to agree on ending any new testing of antisatellite weapons to arrange for an international treaty banning these weapons. In New Delhi, we warned that improving antisatellite weapons might endanger a series of agreements limiting armaments and disarmament. We now see that this warning was justified. We emphasize that the existing treaties that safeguard the use of outer space for peaceful purposes, as well as the 1972 treaty limiting the systems of antiballistic projectiles must be fully respected, strengthened, and broadened as necessary, bearing in mind the recent technological advances.

Recently respect for international law has unfortunately reached its lowest level. The rights of the weaker nations are trampled upon, and this is left unpunished. Treaties are violated to suit the countries, particularly the stronger countries. To make progress in the efforts in favor of nuclear disarmament, it is imperative to strengthen the United Nations organization and charter, as well as the treaties pertaining to disarmament, that must be observed in both the letter and spirit.

The limited resources of the world are squandered in sharp contrast to the permanent malnutrition of millions of persons who are constantly threatened and left to a life with poverty and premature death. Poverty and economic despair are also a threat to international peace and security. This threat is worsened in many developing countries where the foreign debt problem reduces even further their capacity to assign insufficient resources to satisfy the urgent and basic needs of their people. Transferring resources from military expenses to economic and social development is, therefore, a basic need of our times.

In our message from Mexico, we urge the U.S. and USSR leaders to continue with and strengthen the dialogue they began last year, and to set a date for meeting again with an attitude of mutual understanding and conciliation to make sure this dialogue will yield practical results in the area of disarmament. Both parties have the capacity to destroy the world several times over. There is no room for thinking that one or the other would be showing weakness if it showed a willingness for conciliation. It is necessary to reactivate and strengthen the spirit of Geneva. We reiterate our determination to contribute to an agreement between the states that have nuclear weapons, and join efforts with them, as well as with the other countries, for the sake of the security of mankind and peace.

Once again we urge the peoples, parliaments, and governments throughout the world to actively support our call. All individuals have a right to peace and are obligated to make efforts to achieve peace. Neither together nor separate can the peoples of the world ever erase the memory of the horror of Hiroshima and Nagasaki; together we can and should erase from our future that horror is threatening us.

[Signed] Raul Alfonsin, president of Argentina; Miguel de la Madrid Hurtado, president of Mexico; Andreas Papandreou, prime minister of Greece; Ingvar Carlsson, prime minister of Sweden; Rajiv Gandhi, prime minister of India; Julius Nyerere, former president of Tanzania.

DE LA MADRID COMMENTS ON MEETING WITH REAGAN

PA132344 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 13 Aug 86

[Excerpt] Today, Mexico City and the United States agreed to make a special effort to improve the atmosphere of the two countries' bilateral relations and to facilitate and broaden bilateral cooperation for the two nations' mutual benefit.

After Mexican President Miguel de la Madrid and U.S. President Ronald Reagan's meeting ended, the presidents noted that relations between Mexico and the United States are based upon respect and mutual cooperation. Here is Humberto Mares Navarro, our special correspondent in Washington, with a report.

[Begin recording] [Mares] At the end of the talks between Presidents Miguel de la Madrid and Ronald Reagan, the presidents described the working visit as fruitful for an understanding between the two nations.

After talking for little over 2 hours, each of the presidents made brief speeches in front of the White House diplomatic door. Among the achievements noted were the lifting of the tuna embargo on Mexico and the governments' plans to make a special effort to improve the atmosphere of relations. President de la Madrid said it was also agreed that instructions would immediately be given to establish talks between government officials to achieve a broadened bilateral trade agreement. The Mexican president said that it is his government's intention to have Mexico achieve sustained and sufficient economic growth, which is essential to the restructuring and modernization of Mexico's economy.

[De la Madrid] In the first place, we discussed in-depth various aspects of our trade and financial relations, and the recent negotiations by the Mexican Government with the international financial organizations, especially the IMF, which have been successful as they have allowed new, realistic, and flexible solutions for the foreign debt problem. I admit that the U.S. Government, in a joint and highly valuable effort, played a constructive role in these negotiations, which Mexico greatly appreciates.

It is my intention to have Mexico achieve sustained and sufficient economic growth, which is essential for the restructuring and modernization of its economy, maintaining the social progress which has been the leading factor in the country's political stability for so many years, and increasing the country's ability to pay its international financial debts.

[Mares] President de la Madrid also said that this fruitful meeting is a demonstration of the firm and cordial friendship that unites the two countries. We can gain a great deal, he said, from a dignified and mutually beneficial friendship. [passage omitted] [end recording]

President Speaks at White House

FL132140 Mexico City NOTIMEX in Spanish 2037 GMT 13 Aug 86

[by Roberto Gonzalez Perez, special correspondent]

[Text] Washington, 13 Aug (NOTIMEX) -- Great progress has been made regarding Mexico-U.S. relations, said President Miguel de la Madrid during a speech delivered at the White House. We have sincerely and thoroughly discussed various topics that will bring positive results, he added.

The Mexican president said that the governments of the two countries will make extra effort to improve the atmosphere of our relations. He also said Mexican Government negotiations with international financial organizations have been successful inasmuch as they allow more reasonable and flexible terms in dealing with the foreign debt problem.

De la Madrid acknowledged that the U.S. Government -- with its valuable efforts -- played a useful role in the negotiations, which we appreciate very much. Referring to trade ties between the two countries, he indicated that they should take place within a framework of equality, taking into consideration the differences between the degrees of development of the two economies as well as total conditions of non-discrimination and absolute non-reciprocity, which should be the foundation of better trade relations.

He also told President Reagan that migratory flows from Mexico to the United States will decrease as the Mexican economy improves.

De la Madrid noted that international cooperation is needed to deal efficiently with the serious drug smuggling problem which needs to be solved.

PAN Protest in Washington

FL132241 Mexico City NOTIMEX in Spanish 2207 GMT 13 Aug 86

[Excerpts] Washington, 13 Aug (NOTIMEX) -- The presidents of Mexico, Miguel de la Madrid, and the United States, Ronald Reagan, today held a 90-minute meeting in the White House Oval Office. The ties uniting the two countries were reaffirmed. [passage omitted.]

Meanwhile, about 30 people -- most of them National Action Party [PAN] members -- gathered in front of the White House to demand democracy in Chihuahua and the annulment of recent elections there.

Some protesters said they will go to every international forum to press for the annulment of the elections which they allege were fraudulent. [passage omitted]

SENATOR ON SUPPORT OF L.A. PARLIAMENT TREATY

FL131648 Mexico City NOTIMEX in Spanish 0321 GMT 13 Aug 86

[Text] Mexico, 12 Aug (NOTIMEX)-- Latin American heads of state, including Mexico's have reiterated their solidarity with the Latin American Parliament and expressed their decision to sign an international treaty designating it a pluralistic and political forum in Latin American.

Senator Patrocinio Gonzalez Blanco, Mexican representative to the Latin American Parliament, said no country can confront a new crisis if it acts autonomously and disregards integration efforts.

The Latin American Parliament has become the principal political forum in the hemisphere and seeks to fill the gap in matters of integration because the organizations created for this purpose have not achieved their goals due to a lack of political vigilance.

Gonzalez Blanco, President of the Political Commission of the Latin American Parliament representing 19 countries and 168 political parties, said the parliament's goal is to encourage area countries to defend democracy.

SEVERAL BANKS OFFER $1.5-BILLION STOP-GAP LOAN

FL131627 Mexico City NOTIMEX in Spanish 0012 GMT 13 Aug 86

[Excerpts] The Finance and Public Credit Secretariat (SHCP) has reported that Mexico has been offered a $1.5-billion stop-gap loan (credito puente) by trade and Central Banks from several countries, including the U.S. federal reserve. The SHCP said the resources would only be used in very extreme and indispensable cases and added that Mexico is trying to assure that the funds will be immediately available when needed. [passage omitted]

The Secretariat said the $1.5 billion offer may be formalized during President Miguel de la Madrid's visit to Washington.

SEPULVEDA ANNOUNCES APPROVAL OF U.S. AMBASSADOR

FL140202 Mexico City NOTIMEX in Spanish 2346 GMT 13 Aug 86

[By Jose Carreno]

[Excerpt] Washington, 13 Aug (NOTIMEX) -- The Mexican Government has expressed satisfaction over the naming of Charles Pilliod as U.S. ambassador to Mexico, Foreign Secretary Bernardo Sepulveda announced here today.

Sepulveda made the announcement during a press conference after noting that the U.S. Government had requested official approval for the appointment. [passage omitted]

DELVALLE DELIVERS SOVEREIGNTY SPEECH AT RALLY

PA121945 Panama City Domestic Service in Spanish 1540 GMT 12 Aug 86

[Speech by President Eric Arturo Delvalle during a rally "to reaffirm national sovereignty" at the Cinco de Mayo Plaza -- live]

[Text] General Manuel Antonio Noriega, Panamanian people:

This huge popular demonstration represents the Panamaian people's strength and determination to defend their homeland, rising above political differences and personal ambitions. We want to show the world that we Panamanians have and always will have a religion that unites us: the defense of the Panama Canal and of our sovereignty. [applause]

This is why we are here, standing and alert, at this great event to show our loyalty for our homeland. We are meeting here today in a great, tight, fraternal embrace to reaffirm our strong determination to achieve the fulfillment of the main national objectives. From here, without strident expressions, but with conviction and firmness, we say we are committed to strengthen our national independence, we are going to reinforce Panama's personality, we are going to work so that all Panamanians can enjoy well-being and peace, and we are going to continue struggling with determination and firmness to ensure respect for our legitimate rights and sovereignty.

I wish to reiterate my inevitable commitment of making sure that the spirit and the letter of the Torrijos-Carter Treaties are fulfilled, as these treaties have cost so much effort and sacrifice from generations of patriots. The fulfillment of these treaties is a [word indistinct] step to consolidating our sovereignty before all nations of the world and all international organizations.

No campaign against the Panamanian state's most sacred interests will overpower our determination to struggle in defense of the unity noticeable here and everywhere in the country today, to struggle to strengthen and show our absolute determination, and to ensure respect for the Republic's integrity and the right of all citizens to a prosperous and independent life. [shouts] The strong ties between the people, government, and Defense Forces that this event conveys is an eloquent reply to the attempts to divide us made by those who want to weaken us to distract us from our firm determination to consolidate national democracy. They will never achieve that goal? [applause] The soldiers of our homeland that this multitudinous mass of people will see marching today are not alone because they are our brothers in uniform, and because all Panamanians must consider ourselves soldiers of our homeland when our homeland requires it and demands it.

The campaign unleashed against the Defense Forces, and particularly against it commander in chief, is not only to harm him as a person, but also is a veiled attempt to prevent the Canal from becoming ours in the year 2000 as provided for in the Torrijos-Carter Treaties. This has been disclosed by one of the most conspicuous instigators. That is why we are here, and that is why we will always say "present" whenver we must defend the sacred national interests. [shouts]

Today is another anniversary of General Manuel Antonio Noriega's assumption as commander in chief of our Defense Forces. Hence, I consider it appropriate to express as president and friend my respect and appreciation for the great efforts he has undertaken and continues to promote to adequately prepare the members of the Defense Forces under his command, so they can thoroughly fulfill the difficult tasks they have at the present time and in the future of defending the country's territorial integrity and preserving the Panamanian family's tranquillity and peace.

This occasion is also an opportunity to congratulate all the members of the 2000 Battalion who are celebrating their 2nd anniversary today. We congratulate them for their devotion, ability, and determination in fulfilling the tasks assigned to them, as the vanguard of their institution in the defense of the Republic's important and sensitive interests when the Canal and its installations revert to the nation.

On mentioning the year 2000 -- a scant 14 years away -- and in view of the future, it is essential that all Panamanians understand the challenge it will be to assume control and operation of the Panama Canal -- one of the most important routes in the world -- responsibly. It truly would not be possible to meet -- as a nation -- the great and serious responsibility I just mentioned unless all Panamanians, regardless of their ideology or party affiliation and over and above any circumstance, understand that we must preserve the peaceful coexistence we are all accustomed. However, it is also essential to expand national education at all levels so that we can properly train future generations to meet future challenges successfully.

It is essential to secure and protect the property of Panamanians so they can take full advantage of their abilities and contribute to their own development and the country's greatness. It is essential to continue stimulating all sectors of our economy, such as the development of commerce and industry, so that they can continue to create new job opportunities. It is also essential to strengthen agricultural production so that the country's interior can duly participate in the nation's development. This is a good opportunity to guarantee the producers of my country that we will never permit the entry of a single grain of subsidized rice to the detriment of the rural workers. [applause]

It is essential to intensify the programs which supply all Panamanians with comfortable and decent housing. It is essential to give the right solution to the complex problem of urban transportation.

There is a huge and difficult task ahead of us. We must tackle it with boldness, intelligence, and creativity in order to truly take advantage of all our resources. Although I have not mentioned it yet, the most important aspect of this task is the struggle we must carry out to modify Law 96-70, which jeopardizes the spirit and intention of the Torrijos-Carter Treaties. [applause]

Our unity becomes stronger and is consolidated with the active participation of all the men and women of our country; with the uninterrupted implementation of democracy; with the consensus born of intelligence and strengthened by the heart and constructive criticism; but above all, with a respect for the rights of others in a climate where there is no slander, insults, or excesses but a responsible use and enjoyment of public liberties so the law will not be considered an object of repression, an object of defiance, nor a mockery. [shouts from crowd]

I firmly believe in freedom of expression, but also in the need to respect the name and honor of all citizens.

Fellow members of UNADE [Democratic National Union], on 10 October 1985, in this same square, I said that I was committed to the preservation and strengthening of this powerful political alliance; of all the UNADE member parties. I have kept my word. Today, I reiterate to you this commitment. Members of the PRD [Democratic Revolutionary Party], PALA [Labor Party, Panamenist Party], Frampo [Popular Broad Front Party], and Republican Party: You who support my administration and are here today [changes thought]...and members of the Liberal Party: You who support my administration and are here today in monolithic unity to manifest your support for this president and for my friend and collaborator, Noriega, share with us the grave responsibility and patriotic duty of working together to accomplish the great and difficult tasks we have discussed. History shall not remember us for our omissions or negligence. We acknowledge that we are not infallible. However, no Panamanian will be able to say we failed to make the maximum effort that our country rightfully demands of us. Thank you very much. [applause]

Noriega on Sovereignty, Canal

PA121912 Panama City Domestic Service in Spanish 1518 GMT 12 Aug 86

[Speech by General Manuel Antonio Noriega, commander in chief of the Panamanian Defense Forces, during a Sovereignty rally at the Cinco de Mayo Plaza -- live]

[Text] Mr President, brothers: Today I wish to begin this conversation with the spiritual guide of the psalmist, who says: They that trust in the Lord shall be as Mount Zion, which cannot be removed, but abideth forever. For the rod of the wicked shall not rest upon the lot of the righteous. God [words indistinct] our pride and we will always thank you.

Here, in this historic plaza, a sanctuary for our nation, a military leader and ruler said during the struggle of another generation: Neither millions nor alms, we want justice. [applause] Those are the words of [the late] General Jose Antonio Remon Cantera, the general of 1953. Here, during the critical period of this struggle, another military leader judged colonialism by asking: Governor of what? [applause and chants of "Omar is present"]

We give a special welcome to the friendly delegation from Villa Neilly, Coto Brus, and Las Mellizas, from Costa Rica, who made a special trip to attend this rally. Welcome to all the men, women, farmers, and trade unionists from the mountains of Ocu. Welcome to the people of Chiriqui, Canazas, Santiago, La Arena, Quebro, Sona; the people from Los Santos province, who travelled from Las Tablas and Tonosi; the people from Herrera who are participating in great numbers; the people from Cocle; from western Panama, La Chorrera; the people from Darien, the Indians from Kuna Yala, from Choco; the Guaymi Indians; and the masses from San Miguelito, Rio Abajo, Parque Lefebre, Pedregal, Pacora, Curundu, Calidonia, Santa Ana, Ancon, El Chorrillo, and Chepo. [applause and chants "Gen Noriega, the people are present"]

Panamanian brothers, this Cinco de Mayo Plaza is today the cemetery of traitors. [applause] It is the cemetery of stateless persons.

It is the cemetery of those who flee abroad, persecuted by the shadow of their own infamy, and seek to take shelter, persecuted by the shadow of their own infamy, under the skirts of Miss Liberty [preceding two words in English] [chants]

Here is the convincing answer to those who seek to undermine the currents of the isthmian fatherland. This nation will not accept any more Bunau-Varillas or John Hays. We will not accept the reincarnation of the Monroes of the past century, or of the Panamanians who speak in Spanish but think and feel in English. We warn those who assimilate everything that we have turned our military cadres into soldiers who are aware of the dignified and exemplary history of Jose Domingo Espinar, Justo Arosemena, Tomas Martin Feuillet, Pedro Prestan, Victoriano Lorenzo, Guillermo Andreve, Mateo Iturralde; of the martyrs of the 1925 tenants movement, those who rejected the Filos-Hines agreement, those of the 1958 student movement, of the January 1964 martyrs, and of Omar Torrijos Herrera with the Canal Treaty. [chants of "Omar is present"]

The people who are here are our democracy. We, the Panamanian military men, believe in democracy, and we will insist on strengthening it, promoting it, and supporting it. However, this will be a democracy in the image of the Renacimiento farmers, of the men in the Chorrillo streets, Curundu, or the indians from Sambu. It cannot be a democracy imposed, demanded, or claimed by telex. It cannot be a class-structured democracy of the traumatized ones who pay northern lobbyists and want to return to the power that [words indistinct] where votes and candidates followed plans and owners. These people do not want to return, and will not return to a restricted democracy where the popular masses were a [word indistinct] guests at the electoral banquet.

For a long time, it was planned that the National Guard, the National Police of that time, would restrict themselves to taking care of drunks and dances, to persecuting ideologists, and to truncating rebellions and the hopes of workers and students. The Armed Forces were confined to their garrisons, where they were out of touch with the people's needs and hopes. On 16 December 1969 military doctrine changed. It became nationalistic, populist, and prodevelopment. Torrijos said: Never again will the Panamanian soldiers' bayonets point at the chests of students, workers, and women engaged in struggles or demanding respect for rights which are lawfully theirs. This principle, which has evolved, been polished, and adapted to the present, lies at the foundation of today's Panamanian Defense Forces.

The minority opposition sectors attack the Defense Forces because they are staffed by the children of lottery vendors and common people, because they no longer serve minority groups, as they did before 1968. Our helicopters and planes transport doctors, engineers, and teachers. They bring the people and government closer to each other. There are no bullets. There is no blood, sorrow, or death. We will not stray from the course we set for ourselves on 11 October: democracy with social justice.

We have [word indistinct] repeated that Panama is different from the countries of Central, South, and North America and the Caribbean. We know which way we are heading. We know how we will use our natural resources and geographical situation and how we will direct our foreign policy. That is why we are concerned about the path that will lead us into the year 2000.

We cannot allow nor would it be responsible to allow frustrations to accumulate as necessary personnel changes take place. This would lead to the collapse of the Canal at the beginning of the next century.

The Torrijos-Carter Treaties became a means to peacefully resolve the differences between Panama and the United States. The Panamanian people and the Defense Forces will see to it that those treaties are kept to the letter. In the continuous struggle for sovereignty, we want to be free to choose our own path and to live in peace and with respect. We are asking for no more, and we will not accept any less. [applause]

That is why we are concerned with the mystery of apportionments in the Canal Commission accounting records that speak of depriving Panama of 60 million [currency not specified]. This is a national security concern of ours. Another national security of ours regards Law 96-70 and the reappearance of a Canal area governor who is camouflaged as chief engineer. That is why we are concerned about the dual interpretation [of the treaties] on key security and sovereignty matters that subordinate spokesmen make. It worries us to see the Canal issue become a political issue in the November [U.S.] congressional elections. We are worried about the plan for a dirty war of slander as the prelude to conspiracy.

Regarding the defense of the Canal, General Galvin said that 10,000 men posted along the banks [of the Canal] will not be enough to defend it. I say that 10,000, 100,000 or 1 million men will not be enough. The defense of the Canal is not limited to having the latest military invention or technical advance. The Panama Canal will be safe only if those who live along its banks have the satisfaction of benefiting from the wealth it produces and so long as ships from all nations may transit it in line with the pro mundi beneficio principle. Following the people's mandate, the Defense Forces champion the banner of peace as the only possible alternative.

[Text] Our community has no room for hatred. It has no room for useless fights which stop production. The Panamanian people want peace, to find solutions for the big economic problems and overcome the IMF. The Panamanian people want unity to create work programs and peace to lower the cost of living. They want peace for education, to live well, and to have an honest labor code. [chants]

Traditionally, we have been and are friends of the U.S. people. However, we will not let colonialist leaders, defenders of apartheid and racism, together with the Panamanian Bunau-Varillas blemish our conquests in exchange for money.

It is easier to serve a group of privileged individuals than to serve the people. It is easier to bow down and yield than to stand firm and serve the homeland. It is easier to go to another country and spend a lot of money spreading lies against ones own nation than to come to a plaza, like the Cinco de Mayo Plaza, and see whether it is true that the people support them or believe in them.

I want to stress, as a guideline for work and as a slogan, that the nationalist success of the year 2000 does not lie in the distant goal of having that year approach as such, but on the daily work, our day to day work, to remain alert, united with loyalty and brotherhood, avoiding machinations, plots, and capitulations. [chants]

President Eric Arturo Delvalle, my brother, is pressured and questioned because members of the Armed Forces are directing the railroad and Renare [Department of Renewable Natural Resources]. However, who were the former administrators of the railroad? U.S. military men. Who delivered that piece of junk [mamotreto] to us? U.S. military men. Who took the nails off the railroad ties to give them away as souvenirs? The administrators. However, now they question the fact that the railroad's administrator is a Panamanian military man.

Regarding Renare, do you remember the Chilibre and Gatuncillo incidents in which the zonian police from Balboa surrounded the ranches, set them on fire, and kicked the people out of the area? That was done by uniformed men, and now they are criticizing the fact that Renare is run by a military man.

We tell foreign correspondents that the only exiles from Panama are backwardness, violence, illiteracy, and social injustice. There are no jails with political prisoners here. There is respect for foreign minorities here. There are no ghettos or racism here. We have human rights here, but not those understood as supply and demand to receive or deny loans. [sentence as heard]

To foreign correspondents we say that this nation is not Haiti or the Philippines. [applause] These armed forces do not have any Duvaliers, Ferdinand Marcos' or Tonton Macoutes. This nation has a name, and its name is Panama [interrupted by applause] and this commander does not give in or surrender. [applause, sporadic shouts: "Viva General Noriega]

COLUMNIST QUESTIONS PUBLIC SUPPORT FOR RALLY

PA122031 Panama City LA PRENSA in Spanish 12 Aug 86 p 1-A

["As of Today" column]

[Text] Today all the resources of the state will be used to satisfy the fancy and vanity of the general of the moment as yet more evidence -- as if more were needed -- that little has changed in Panama in the past 16 years. The apparent purpose of today's public rally is the nationalist affirmation of the Panamanian desires regarding the Canal, allegedly in danger due to the plots, conspiracies, and other similar nonsense that are the product of the imagination of those who lack arguments to face the accusers. The reality is quite different. The rally intends to show that General [Manuel Antonio] Noreiga and the president -- in this order -- have the support and trust of the majority of the people. This is a useless venture. Those who participate know very well that the reasons they have for attending have nothing to do with the national interest or the citizens' values, and, therefore, regardless of how well attended the rally is, it will not be interpreted as a spontaneous expression of support for Noriega and Delvalle. Most of those who will not attend that rally are fully aware of how a public rally of this nature is organized and financed, and they will not be tricked, either. The same happens abroad to those who are interested in what is happening in Panama. However, those who unfairly exploit power will be satisfied because they believe that someone will be tricked by the appearance of the people's support, bought with public resources. The only thing that the public rally will show is that today, as yesterday, the state is at the service of the armed forces, and in particular of whatever the general of the moment decides.

ECONOMY MINISTERS TO DISCUSS CACM 19-20 AUGUST

PA132208 Managua Radio Sandino in Spanish 1200 GMT 12 Aug 86

[Text] The presidents of the Central Banks and the economy ministers of Central America will meet on 19 and 20 August in Managua to approve mechanisms that will reactivate the CACM, according to Nicaraguan Foreign Trade Minister Alejandro Martinez Cuenca. During this meeting, to be held at the Cesar Augusto Silva Convention Center in Managua, Guatemalan, Salvadoran, Honduran, Costa Rican, and Nicaraguan proposals will be presented for the approval of the Central American Imports Rights System, DICA.

The DICA seeks to promote trade in the Central American area, which has been in decline the past few years. From trade that exceeded $1 billion, it decreased to a level of $560 million in 1985. This decrease is due in part to the international crisis affecting these countries' impoverished economies with high import costs for their finished internal consumption products and products for trade within the isthmus. The decrease in trade has resulted in the collection of little foreign exchange to promote industrial production with a view to exporting within the area.

Nevertheless, the DICA is trying to make each of these countries pay their imports in their local currency. The DICA project will be like a large-scale exchange to save the CACM, which must be accompanied by the political willingness of each of the countries which -- despite the deterioration of the prices of their products on the international market and the political problems troubling the area -- are trying to maintain economic unity, which constitutes part of their political willingness.

Simultaneously with this forum of Central Bank presidents and economy ministers, the president of the Guatemalan Central Bank and his economy minister will hold additional meetings with their Nicaraguan counterparts to negotiate the foreign debt and promote bilateral trade between the two nations. Similar meetings will be held with the president of Costa Rica's Central Bank and the economy minister to negotiate the foreign debt and conclude negotiations to bring Nicaragua's payment to Costa Rica to a level in keeping with the country's war economy.

COSTA RICA

HAGUE EMBASSY PLANNED TO HANDLE MANAGUA SUIT

PA131601 San Jose Radio Reloj in Spanish 1200 GMT 13 Aug 86

[Text] Foreign Minister Rodrigo Madrigal has said that Costa Rica will open an embassy in The Hague to handle the Sandinist suit. This step is necessary to attend to the accusation made by the Sandinist regime and presented against Costa Rica at the International Court of Justice [ICJ]. The country will have to assign a large amount of resources to defend Costa Rican honor at the international level, and consequently it will even hire a group of foreign attorneys.

Former Deputy Edgar Ugalde Alvarez, a lawyer who specializes in international law and who has vast experience in juridical matters, will be hired as the judicial representative at the ICJ. A commission of local attorneys has been created to coordinate actions with the foreign attorneys who will be hired to conduct Costa Rica's defense at the ICJ.

Former Foreign Ministers Fernando Volio of the National Liberation Party and Gonzalo J. Facio of the Social Christian Unity Party, as well as former Supreme Court President Ulises Odio Santos. [sentence as heard] Madrigal said that this commission will coordinate all the work for the defense of Costa Rica and will include the participation of representatives of the various political parties.

EL SALVADOR

GOVERNMENT, REBELS VIEW UPCOMING TALKS IN MEXICO

Viera Speaks

PA140341 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 13 Aug 86

[Interview with Deputy Communications Minister Roberto Viera by Rene Hurtado on 13 August in San Salvador -- recorded]

[Text] [Hurtado] The Salvadoran Government today delivered a proposal to Msgr Arturo Rivera y Damas, who is acting as the mediator in the dialogue, accepting the preparatory talks with the FMLN-FDR in Mexico City. Roberto Viera, deputy communications minister and the government's official spokesman on matters related to the dialogue, reported that the Salvadoran ambassador in Mexico has received instructions to report to the Mexican Government the Salvadoran Government's decision to hold preparatory talks at the Salvadoran Embassy in Mexico City.

Meanwhile, according to Radio Venceremos, the FMLN-FDR insisted that the dialogue be held in San Salvador, for reasons of facilities and accessibility to all parties involved, and has ruled out the eastern zone, particularly Berlin, San Francisco Gotera, and San Miguel, alleging that these are militarized zones which offer no guarantees to the FMLN-FDR or the people who will participate in the dialogue.

In relation to these aspects, I will interview Deputy Communications Minister Roberto Viera. What can you tell us about the government's proposal to the FMLN-FDR regarding the meeting scheduled for 20 August?

[Viera] This is the government's position: The government has agreed to hold preparatory talks with the FMLN-FDR in Mexico City from 19 to 26 August. The FMLN-FDR has announced that the meeting will begin on 20 August. The government has agreed to this. The government is going to appoint a three-member commission which will discuss the mechanisms to be implemented during the third dialogue. The government has reported to Msgr Rivera y Damas its decision to participate in the preparatory talks in Mexico. We have also asked our ambassador in Mexico to let the Mexican Government know of our decision.

[Hurtado] About the government's commission, it has been said that Julio Adolfo Rey Prendes, you, and a military chief are the members of the commission. Is that true?

[Viera] Nothing has been decided yet about the members of the commission. Before leaving for the Dominican Republic, President Duarte is going to appoint the commission. Meanwhile, the National Dialogue Commission is analyzing and considering the objectives and probable results of the third dialogue.

[Hurtado] Has the government assumed a new position in its new proposal? Has it submitted new conditions for the preparatory talks?

[Viera] The government's new proposal simply reaffirms the position it has maintained and the desire to hold the third dialogue as soon as possible. It also insists on holding the dialogue in the eastern zone. We feel that because it is the zone most affected by the constant state of war, holding the dialogue there could help build some faith and hope. In the eastern zone the guerrilla commanders could see for themselves how the people feel about the war. We also think it is more practical, because the zone is more accessible to the guerrilla commanders. Commander Villalobos could travel to the zone without any problem. As you recall, Commander Villalobos did not attend the first meeting in La Palma, nor the second in Ayagualo, because he could not make it for some reason or another. If we hold the third dialogue in the eastern zone, I am sure that he will make it. The Red Cross and the diplomatic corps accredited in our country will see that he is given all guarantees so that he can participate in the third dialogue. These are some of things we are going to talk about during the preparatory meeting in Mexico. We are going to discuss the mechanisms and procedures to be used during the third dialogue.

[Hurtado] According to Radio Venceremos, the guerrillas have accused the government of trying to postpone the dialogue. The guerrillas want to hold the third dialogue in San Salvador, so that all sectors can participate, as well as the local and international news media. The guerrillas have complained that San Francisco Gotera, San Miguel, and Berlin are virtual military fortresses. They said that on an average there is 1 soldier for every 20 civilians in San Miguel. According to the FMLN, the Atonal Battalion has its operations base in Berlin. In San Francisco Gotera, the Treasury Police and the National Guard are all over the place, the FMLN reported. What do you have to say?

[Viera] Let me tell you a couple of things. First, the Salvadoran Armed Forces is an institution with duties in San Miguel, San Salvador, Santa Ana, and in every corner of the country. The Armed Forces carries out the orders imparted by the government, and when the government gives guarantees the Armed Forces complies with them. The arguments used by the guerrillas are absolutely false. The Armed Forces were in charge of the security in Ayagualo. The Atonal Battalion and the 1st Brigade were in charge of public order in the zone. The FMLN-FDR representatives came to El Salvador and went to Ayagualo. No one interferred with their movements. Do you remember the demonstrations held there? The Mothers Committee and all the political groups that sympathized with the FMLN-FDR were present. The Armed Forces were there and did not interfere with anyone. The Armed Forces proved that it is a professional institution. The truth is they are only trying to delay the dialogue and make changes to cause more problems.

As far as establishing a date for the dialogue, they criticized the government for not wanting a dialogue, for not setting a date or place for the dialogue; now we give them a date, time, place and everything else, and they react negatively. Now they want the commission to meet until 20 September. The Salvadoran people should understand what the government's position is and believe that the government is serious and sincere in its dialogue proposal, to help us find peace.

In fact, the FMLN-FDR has proven with its arguments that it is more interested in creating obstacles with dilatory arguments than in setting a date and place for the third dialogue.

Duarte on Rebel Demands

PA140008 San Salvador Radio Cadena YSU in Spanish 1800 GMT 13 Aug 86

[By Carlos Mario Marquez]

[Text] President Jose Napoleon Duarte will appoint the commission tomorrow that will represent the government at the preparatory meeting for the third round of talks on 20 August in Mexico. The president talked this morning with the news media about the commission which he will send to Mexico.

[Begin Duarte recording] My government presented a proposal to the bishop for a preparatory meeting at the Salvadoran Embassy in Mexico City. Thus, it will be held on Salvadoran territory, from 19 to 26 August and [words indistinct] the meeting -- probably more than one -- so we have already ordered the delegation that will represent us to depart on 19 August. I imagine they will begin the meetings on 20 August. I will probably decide who will comprise the commission on 14 August, during the afternoon meeting; I have not decided yet. [end recording]

When the president was asked about the fronts' refusal to meet at the Salvadoran Embassy in Mexico City, President Duarte explained:

[Begin recording] [Duarte] Well, this shows you how stubborn they are, but it is not important. They obviously wanted it to be held in Salvadoran territory; that is why I offered them the Salvadoran Embassy in Mexico City, because it is Salvadoran territory. Now it turns out that they do not accept this, either. Theirs is an attitude of permanent hostility concerning minor details, things without importance, and mechanisms. They only want to be in the news; all they want is to maintain a permanent confrontation about minor things.

I am not worried about minor things; I want to discuss fundamental things. All I want to discuss is: Are they willing to join the democratic process? Are they willing to give up violence as the way to attain power? I want them to say if they are willing to understand that the democratic process implies that power is attained through the people's will; likewise, the person in power should know when to assume the post and when to step down.

Consequently, no one should form schemes to impose external governments on the people -- like that of Fidel Castro or Ortega, who no longer talks about elections, who does not want to give the people the opportunity to choose their own destiny. That is what I want to talk about, that is the topic I am interested in. I am not interested in whether it will be held on 19, 21, or 20 August; or whether it will be held here or there. These are the topics that they are using to create unnecessary confrontations.

[Marquez] What about the place? Have you agreed on a place?

[Duarte] Well, I have offered all the cities in the eastern side [laughs] so that they may choose. They insist... [changes thought] I do not know if you are aware of the document that they have presented. The document says: First of all, it should be held in San Salvador; second, it should last a long time. They want to be here 4 to 5 days, meet with every sector, hold forums, and get permanent publicity.

They also want to hold a meeting with the government and all the sectors, but they also want a big audience. You can imagine what it would be like to discuss our people's peace, shouting at each other, insulting each other, and you photographers taking lots of pictures. What possibility would we have of reaching an understanding? Furthermore, and this is more grave, they say that the city of San Salvador should be demilitarized, and they will come with their armed guerrilla fighters to San Salvador. You can imagine what this will mean. This would create an atmosphere of violence; it would lead to an overall confrontation -- and this does not contribute to creating a peaceful atmosphere.

Thus, I said: No, gentlemen, this cannot be. We must find a place where we can meet -- let the journalists come, let the people come -- but it should not be a concentration...[corrects himself] a confrontation, because if a group brings 20,000 followers, the other group will bring 50,000; and if those meet on a street, it would take only a single shot for all our peace efforts to be rendered null and void. Consequently, I have proposed that we go to a place where the people are suffering the direct effects of all this. [end recording]

When the president was told that the rebel leaders have stated that the dialogue cannot be held in any of the three eastern zone cities which were proposed because the military commanders do not obey the president the Salvadoran president said:

[Begin Duarte recording] First of all, I would like to tell you that this is completely false. The argument that there are some commanders who refuse to obey orders is completely false. I personally sent Commander Ochoa Perez to La Palma to meet with the people and tell them that the troops would leave La Palma and would not return during the 3 days that the zone would remain demilitarized. Nevertheless, the guerrillas -- and there are witnesses who can assert this; you are probably among these witnesses -- came armed and had La Palma completely surrounded. They set up armed posts on all the roads to the city; I came unarmed, without protection. Thus, I adopted the decision to talk precisely about this.

During the second meeting, at Ayagualo... [changes thought] I think you all know that there was a triple protection plan. First, we had the National Police; second, the 1st Infantry Brigade; and third, the Atlacatl Battalion. You could see that everyone was allowed through; the women, university students, everyone passed without problem. So, it is absolutely false... [change thought] Furthermore, I guarantee with my life the protection of those who are appointed delegates to attend the dialogue. I think that the president's life is enough guarantee for anyone. [end recording]

FDR's Oqueli on Venue

PA132340 San Salvador Radio Cadena YSU in Spanish 1800 GMT 13 Aug 86

[Telephone interview with FDR leader Hector Oqueli Colindres in Mexico City, by Carolo Mario Marquez in San Salvador on 13 August -- recorded]

[Text] [Marquez] FDR leader Hector Oqueli Colindres has contacted us from Mexico City to give us his opinon regarding the preparatory meeting at the Salvadoran Embassy in Mexico City.

[Oqueli] I want to report to the Salvadoran people that a preparatory meeting has been scheduled for 20 August.

What we have to decide now is the exact place where we are going to meet. So far, we have agreed on the country, we have agreed on Mexico. However, we were somewhat surprised to learn that the Salvadoran Government still has not officially notified the Mexican Government about it. It is like going to a stranger's home without letting him know. The main reason for the preparatory meeting is to decide on the place, date, and security measures for the third round of talks. These are the points we are going to discuss. We have already appointed our delegation, which is comprised of companeros of both fronts. In due time, we will release their names.

[Marquez] This morning President Duarte said that the Salvadoran delegation will be appointed on 14 August and will leave on 19 August for Mexico. He did not say where you are going to meet, but he has offered the Salvadoran Embassy. Would you accept this proposal from President Duarte?

[Oqueli] It is our opinion that whether we meet at the Embassy or at the ambassador's home, we would not have the privacy we need to decide on the date, place, and security measures. If we meet there, we would have a lot of people trying to get us to make statements and give details about the meeting.

HONDURAS

AZCONA ON MARITIME TREATY, ALLEGED GAG LAWS

PA140307 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 12 Aug 86

[Jose Domingo Flores report on "exclusive" telephone interview with President Jose Azcona Hoyo in Tegucigalpa; date not given -- recorded]

[Excerpts] [Flores] President Jose Azcona Hoyo has discussed with our press department the results of his meeting with General Humberto Regalado Hernandez, Honduran Armed Forces commander in chief:

[Azcona] Well, he briefed me on the problem of Deputy Roberto Zelaya, the problem at INA [Natioanl Agrarian Institute], the visit that was paid him by members of the FUTH, the United Federation of Honduran Workers, and other topics we have to deal with every day and more so since my return from Colombia on 9 August. [passage omitted]

[Flores] The agreement signed with former Colombian President Belisario Betancur has given rise to strong criticism against you. In addition, it is said it will [words indistinct] the National Congress. What do you think about this, Mr President?

[Azcona] I don't see any reason for the criticism, because I think that the settlement reached through this treaty is good for Honduras, (?that is to say), the treaty was signed by the two foreign ministers, but of course this was done with the blessing and approval of the presidents. I have already given quite a few explanations about this. Before reaching the decision to sign the agreement and to authorize the foreign minister to sign it, we held several sessions at which Armed Forces and Foreign Ministry advisers were present. We reached the conclusion that it was best for Honduras to sign the agreement, that is, the treaty delimiting this part of our territorial waters.

The important thing is that the beneficiaries of this treaty, who are fishermen of our Islas Department, fully support it because they know that Honduras' sovereignty could not be effectively exercised over those shoals. Now that this treaty exists, at least the Rosalinda Cay and part of the Serranilla Cay are part of Honduras' territorial waters, and they will no longer face the danger of being captured [words indistinct] Colombia, as was the case previously. [passage omitted]

[Flores] This agreement must be approved by the National Congress. Have you issued any instructions personally to the deputies?

[Azcona] No, I will not talk to any deputy or anyone else about its approval. I have clearly said so. The foreign minister has the pertinent instructions, and he has already given the required explanations. It is an exclusive function of those who exercise the sovereign representation of the Honduran people to ratify that treaty. If they do not ratify it, I think we will miss an opportunity to delimit a very important part of our maritime boundaries. If it is ratified, all right, and if it is not, I will not make any efforts before any deputies to obtain this ratification. [passage omitted]

[Flores] Did you meet at any time with the Nicaraguan vice president during your visit to Colombia?

[Azcona] No, I did not meet with Dr Sergio Ramirez anywhere. [passage omitted] I did not have an opportunity to exchange even a few words with the Nicaraguan vice president, because we did not meet anywhere.

[Flores] Regarding freedom of speech and the attack on journalist Rodrigo Wong Arevalo, the president said:

[Azcona] We have talked with the Armed Forces commander, and he has informed me that they are conducting investigations of both cases as well as the case of Deputy Rodolfo Zelaya. I think that the case of journalist Wong Arevalo was regrettable, and it is under investigation.

[Flores] [Words indistinct] gag law in our country. What is your opinion about this, Mr President?

[Azcona] [laughs] How can there be a law to gag newsmen in our country when you have called the presidential office and I am answering you by telephone? [passage indistinct] There is full freedom of the press here, and I am demonstrating this fact at this moment. These dispatches and reports by radio stations are full of nonsense. Anyone who reads the newspapers and listens to the Honduran stations [laughs] can never imagine that a gag law can exist here. The exact opposite is true. Maybe the gag law is for us, not for the newsmen. There is no sense in this. The things that happen are regrettable. However, the government respects freedom of expression absolutely, like nowhere else in the world, I think. [passage omitted]

[Flores] (?Have you asked for) an investigation into the controversy between the FUSEP [Public Security Force] commander and the chief of military intelligence?

[Azcona] Yes. It has been requested. As I said, even without requesting it the Armed Forces is conducting an investigation. I do not want to make any advance reports, but pertinent investigations are indeed being conducted. [passage omitted]

NICARAGUA

NUNEZ LINKS U.S., CONSTITUTIONAL DEBATE ISSUE

PA131925 Managua Sandino in Spanish 1930 GMT 12 Aug 86

[Text] Commander Carlos Nunez, president of the Legislative Assembly, said today that the Constitution will be drafted with or without the Liberals and Conservatives. Commander Nunez rejected any kind of political blackmail by the opposition parties, which are trying to set conditions for their participation in the drafting of the constitution.

Commander Nunez made this statement upon declaring open the new stage of the constitutional debate, which consists of drawing up an opinion on the constitution that will be presented to the Assembly plenum in September for discussion and approval. In this context, the revolutionary leader asserted that there is incontestable evidence that the absence of certain parties from the contitutional debates forms part of an overall sabotage plan by the U.S. Administration.

Nunez also said it is regrettable that Virgilio Godoy, president of the Independent Liberal Party [PLI], has taken the wrong path and is lending himself to the dirty game of the Reagan administration.

Regarding the position of the Conservatives, Commander Nunez asserted that the FSLN and he, as president of the Legislative Assembly, are prepared to engage in fraternal dialogue with the parties represented in the Assembly to iron out differences. However, he clearly stated that he will not yield to any type of blackmail. Commander Nunez reasserted that the only political dialogue in Nicaragua is the one that takes place at the Assembly, and therefore neither the FSLN nor the revolutionary government regard the abstentionist parties that comprise the Ramiro Sacasa Coordinating Board as valid interlocutors. By this he referred to a proposal that was recently submitted by the Social Christian Party.

[Begin Nunez recording] The U.S. Administration is not just promoting a policy of division. Through its officials, the U.S. Administration is promoting an overall plan aimed at getting the maximum number of parties represented at the Legislative Assembly to completely withdraw from the work on the constitution. To achieve this, they have not hesitated in attempting to convince the leaders of various political parties or in inviting them to the embassy, while at party headquarters officials identify those individuals who interest them. We are witnessing the beginning of a new struggle, which will not only include threats but will be undertaken every day, as attempts are made to convince legislators or patriotic political leaders who disagree with the FSLN not to lend themselves to that kind of maneuver.

I have said this before: The U.S. Government is advancing an overall strategy intent on fostering simultaneous offensives on the military, international, and domestic levels, while trying to establish an internal front. All this is aimed at isolating Nicaragua from the rest of Central America; from a broader perspective, from Latin America; and on an international level, from Europe.

It does not frighten us that the PLI is not here. However, it must be said that this is part of an overall strategy. [end recording]

LIMA DAILY INTERVIEWS INTERIOR MINISTER BORGE

PY122318 Lima EL NUEVO DIARIO in Spanish 30 Jul 86 pp 19-21, 23-26

[Interview with Interior Minister Tomas Borge by Rodolfo Mattarollo, "after Holy Week," place not given]

[Excerpts] [Mattarollo] At this crucial moment that Nicaragua and Central America are experiencing, international solidarity has perhaps not yet developed sufficiently, although the awakening of a movement of solidarity has been observed recently in the United States.

[Borge] The Nicaraguan revolution has often been accused of being a new Cuban revolution. The truth, though, is that the revolution in Nicaragua is for a new Nicaragua, but it could also become a new Vietnam. This certainly worries the U.S. people, who experienced a serious trauma in the war against the Vietnamese people. That war could be repeated here if the U.S. Government should decide to intervene and recreate the Vietnamese trauma. The last speech by President Reagan was unreasonable and instinctive. We were accused of being drug traffickers. The center -- I don't really know its name -- of drugs in the United States affirmed that it is absolutely untrue that we are drug traffickers. For the second time this agency affirmed that Nicaragua is not a link in the chain of drug trafficking. Reagan's accusation that we set a synagogue on fire was denied by Jews themselves.

Then came the accusation that we had sent arms to Brazil and other Latin American countries, which was also denied by the Brazilian Government and other South American governments. The charges that we have supplied arms to the Salvadoran revolutionaries have never been substantiated. In sum, a slew of imprudent and unrestrained charges made by Reagan have backfired, because the bold lies, although they had an immediate effect on the U.S. public, can be easily refuted by facts. This partly explains the defeat of the Reagan policy in the House of Representatives in a vote on $100 million in aid to the contras. It is obvious that Reagan has little regard for the public opinion of Latin America, the world, or to some degree, of the United States, since the majority of the American people do not favor either direct or indirect aggression against our country. The U.S. majority is not in favor of direct intervention or intervention by proxy through the counterrevolutionaries. Nevertheless, we do not consider the defeat of the Reagan policy in Congress a victory for Nicaragua.

[Mattarollo] For 5 years the Nicaraguan people have been suffering the armed aggression of the contras and the United States. Mention has been made of weariness in the social sectors, which is visible in the difficulties encountered by the Patriotic Military Service. [SMP].

[Borge] I believe that the real problems in the military service have been exaggerated because the Sandinist Popular Army has qualitatively improved its ranks with personnel from the SMP. Logically, there have been minority sectors that indeed avoided the SMP. It has been resisted by some parents because this is not a John Wayne war, but a real war, and they were concerned that their sons might die. This unjust war has already cost us lives. There are also many youths who, because of their nature, are afraid of the war. There are also some who, because of their political position, do not want to defend the revolution. Many who avoided the SMP joined the ranks of the counterrevolution and died there. The great majority of Nicaraguan youths, however, have participated. We can even speak of an obligatory military service that is in fact a voluntary service. Nearly all the youths who joined the SMP did so under the provisions of an obligatory law, but also by their own free will.

Another phenomenon occurred. The requirements of the war were increasingly demanding, and the military training of the youth was relatively insufficient. Only with time was the level of military training of the youths who joined improved, and consequently the number of casualties in clashes with the counterrevolutionaries declined. This improved the morale of the fighters, and this has also been a reason youths were more strongly attracted to an obviously winning army. [passage omitted]

[Mattarollo] On one occasion you promised the enemy you would rather forgive than resort to revenge. However, in the face of attacks how are you going to prevent a spiral of violence, keep your humane feelings, and resist the madness of horror?

[Borge] There is a sentence that summarizes our concept in relation to the contradictions of the enemy. It is as old as the FSLN and it is in full agreement with the teachings of Carlos Fonseca: "Implacable in combat and generous in victory." I believe that generosity is part of the essence of the revolution and I am convinced that no attack, as act of violence, or brutality will weaken our historic decision to be generous.

[Mattarollo] The need for a new people's identity in Central American society has been discussed. The original element of this identity is the fusion of Christianity and Marxism, which is forging a new cultural and psychological identity among the Nicaraguan people.

[Borge] I believe that historic experience is part of every revolution. There may be talk of something new which is actually the result of a historic experience in which the people's identity, if we talk about people, has obtained a new dimension. If we study the revolutionary changes throughout history, we can see that independent of the social class that headed the revolution, the great masses have played an active part in it and no revolution could be possible without them. In Nicaragua the people's participation had particular characteristics which created the basis for a new historic experience. The people's participation was very significant because the revolution's victory was achieved through an insurrection comprising a wide range of forces. However, the main participants in this revolution were the poor people of this country. [passage omitted]

[Mattarollo] Is the relationship between Christian ethics and revolutionary ethics seen more easily in practice?

[Borge] We believe that revolutionary ethics is not at odds with traditional ethics although revolutionary ethics has higher standards. According to our own historic experience some Christian principles are quite valid in the revolutionary society. It has been preached to "clothe the naked." This was said at a theology congress in Madrid, but we believe that "clothe the naked" means develop the textile industry and not distribute second-hand skirts to local jails on weekends. "To feed the hungry" means to develop a land reform program to produce more so that people can eat. To be consistent with the mercy of justice means to develop a modern and highly humanitarian penitentiary system. Thus, one is consistent with the principles that have been traditionally regarded as Christian. In Latin America we must transfer these principles to a new level and implement them in accordance with a real situation arising from a revolutionary transformation, as in the Nicaraguan case. "Love one another," states the rule. However, to rescue the exploiting classes, so they cease being exploiting classes, is a greater expression of love. I believe that to be able to actually love the bourgeoisie, we must suppress them as bourgeoisie. Suppress the bourgeoisie as a social class in historical terms. Do not interpret me as saying that we have already decided to suppress the bourgeoisie in Nicaragua! For the time being we are trying to civilize the bourgeoisie. However, in the end, I believe that some day the exploiting classes will disappear from human history, and men will truly become brothers to each other. [passage omitted]

[Mattarollo] The Nicaraguan revolution is usually examined in the light of political pluralism by the West. In the face of aggression, however, it is not easy to maintain a pluralist democracy; the temptation of authoritarianism can gain strength.

[Borge] The authoritarian temptation can be automatically blocked when real democracy exists. The fundamental condition for the existence of real democracy is national independence. Dependency generates the need for internal repression. There are no people who can be resigned to dependency, because dependency creates discontent. Dependency not only injures the dignity of a country but it also entails exploitation. To keep people who are not resigned to being dependent under the yoke of dependency, an antidemocratic mechanism must be created. The lack of democracy is tantamount to dependency. Independence begets democracy and an independent country does not need to suppress democracy. In a democracy, repression is limited to the enemies of independence and democracy. The law-enforcement agencies of the state are exclusively intended to deal with those minority sectors that are enemies of democracy and independence, which because they are minority sectors are easy to control. In Nicaragua, the "state of emergency" is nothing but the state's law-enforcement tool to deal with the enemies of democracy and national independence.

[Mattarollo] In "Face the People" the weekly television program in which the government reports to the people, a Miskito woman recently forcefully demanded the right of criticism, distinguishing criticism of government officials from criticism of the revolution. She also spoke against the tendency to discourage dissent.

[Borge] I do not have the slightest doubt that there are some who oppose criticism under the pretext that criticism is directed at the revolution. I believe that the main critic of the revolution should be the revolution itself, and that the revolutionary leaders should be the main critics. Bureaucracy begets corruption. Surely some bureaucrats will be hostile to criticism. Bureaucracy is therefore the worst enemy of the revolution, after imperialism. By the way, that program you referred to is a program in which criticism is not only possible but necessary. Criticism is a necessary tool not only within the Sandinist Front, but for the masses also. It is an indispensable mechanism of vigilance, which should be encouraged, without allowing radical criticism, criticism for the sake of criticism, but allowing constructive criticism.

REAGAN SPEECH ON NICARAGUA, S. AFRICA NOTED

FL131152 Havana Radio Progreso Network in Spanish 1100 GMT 13 Aug 86

[Text] In Chicago, U.S. President Ronald Reagan has reiterated his policy of hostility against Nicaragua and his refusal to apply economic sanctions against the South African racist regime.

In a press conference in Chicago, President Reagan once again called on the Senate to approve the proposed $100 million in aid to the Nicaraguan counterrevolutionaries, and he reiterated his old and false agruments against the revolutionary Government of Managua.

FIDEL CASTRO RECEIVES MERIT ORDER FROM POLAND

FL130253 Havana Radio Reloj Network in Spanish 0202 GMT 13 Aug 86

[Text] The Polish Council of State has conferred on our Commander in Chief Fidel Castro the Great Merit Order of the Polish People's Republic as an acknowledgement of his work for peace. According to the Polish news agency PAP, it also pays tribute to Fidel's contribution to the development of the multiphased Polish-Cuban relations and the broadening of friendship among the peoples. The national television also released a congratulatory message sent to our commander in chief by the Polish United Workers' Party [PZPR] first secretary and head of state, Wojciech Jaruzelski. In the letter, Jaruzelski highlighted the respect and friendship the PZPR and all the Polish people feel for the first secretary of the Communist Party of Cuba, Fidel Castro.

PEACE MOVEMENT ON U.S. TROOPS IN KOREA

FL131438 Havana Radio Progreso Network in Spanish 1100 GMT 13 Aug 86

[Text] The Cuban movement for the peace and sovereignty of the peoples has issued a declaration demanding the cessation of U.S. provocations against the DPRK and withdrawal of Yankee troops from South Korea.

The document supports the DPRK's proposal to accept a tripartite meeting between the military authorities of North and South Korea and the U.S. Army stationed there. It also denounces the opposition expressed by the Seoul government and the Reagan administration against the conversations.

RODRIGUEZ, INDIAN OFFICIAL MEET IN HAVANA

FL121300 Havana Radio Progreso Network in Spanish 1100 GMT 12 Aug 86

[Text] Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, has met in Havana with Indian official (N Fe Jayin), who has been in Cuba since 9 August.

During the meeting, the two leaders discussed preparations for the eighth nonaligned countries meeting to be held in Harare, Zimbabwe, and principal aspects of the current situation in that movement.

AGRICULTURE MINISTER ENDS VISIT IN SOVIET UNION

FL122340 Havana Radio Rebelde Network in Spanish 2300 GMT 12 Aug 86

[Text] Agricultrue Minister Adolfo Diaz Suarez today ended a 10-day official visit to the Soviet Union at the invitation of the USSR State Committee of Agroindustry. During his stay, the Cuban minister met with that committee's highest-level authorities and toured centers of agricultural interests in Estonia.

BRIEFS

BAHAMAS AMBASSADOR PRESENTS CREDENTIALS -- Today Comrade Juan Almeida Bosque, vice president of the Council of State, presided over a ceremony honoring his excellency Mr Davidson (Lincoln) Heiburn, who presented documents accrediting him as Bahamaian ambassador. Interim Foreign Minister Comrade Jose Raul Viera Linares participated in the ceremony. After the event, the ambassador went to Revolutionary Square and placed a floral wreath at the Jose Marti monument. [Text] [Havana Television Service in Spanish 0000 GMT 10 Aug 86 FL]

HERRENBERG RETURNS FROM COLOMBIA, NOTES MEETINGS

FL132204 Paramaribo International Service in English 1730 GMT 13 Aug 86

[Text] A Suriname delegation headed by Foreign Minister Hank Herrenberg returned to the country last Sunday from Colombia where they represented Suriname at the inauguration of Colombia's new president, Virgilio Barco Vargas.

During his visit to Colombia, Minister Herrenberg met with Venezuelan President Jaime Lusinchi and his Foreign Minister Simon Alberto Consalvi. Mr Herrenberg also held talks with the foreign ministers of other countries who were also present at the inauguration.

GOVERNMENT OFFERS REWARD FOR HOSTAGE INFORMATION

FL132131 Paramaribo International Service in English 1730 GMT 13 Aug 86

[Text] The Government of Suriname has promised a reward of 25,000 guilders for information leading to the return of the 12 privates who are being held hostage by the Brunswijk group since July 21st. In a declaration which was issued yesterday, the government expressed its full support for the tactics employed by the investigating authorities. These tactics are aimed at securing the return of the 12 without further bloodshed.

Hostages Send Parents Letters

FL132049 Paramaribo International Service in English 1730 GMT 13 Aug 86

[Text] The parents of the 12 privates who were taken hostage by the Brunswijk group have received letters from their sons. According to the postmark on the envelope, the letters were posted from French Guiana. Six of the letters were handed over to the military police. Both the parents and the military leaders have concerns that the handwriting were those of the missing soldiers. According to the authorities, the letters are regarded as evidence that the hostages are still alive. They were, however, unable to determine from the letters where the soldiers are being held hostage.

BOLIVIA

ASSASSINATION PLAN REPORTEDLY INCLUDED PRESIDENT

PA131334 Bogota Television Service in Spanish 0000 GMT 13 Aug 86

[Text] It was learned in Bolivia today that drug trafficking groups in Colombia planned the assassination of Bolivian President Victor Paz Estenssoro and three of his ministers as a reprisal against the gigantic police operation launched in Bolivia against drug trafficking.

It was also learned that the drug traffickers offered $400,000, approximately 80 million Colombian pesos, for the elimination of the president and the foreign, interior, and war ministers. Two people involved in this violent plan were arrested, and they confessed their plans to Bolivian authorities. The assassination attempt was to have been carried out between 1 and 18 August.

PARAGUAY

CENTRAL BANK, GOVERNMENT COMPLY WITH IBRD

PY132200 Asuncion HOY in Spanish 13 Aug 86 p 11

[Excerpts] The government will draw from reserves of more than 20 billion guaranies set aside in the national budget to service its foreign debt. This is to comply with an agreement reached with the IBRD [International Bank for Reconstruction and Development]. These reserves will provide funds to cover the difference between what the Central Bank will pay out for every dollar received through IBRD credits and what the IBRD requires the Central Bank to pay out. This means that to comply with the IBRD requirement each dollar granted in credit be converted into 320 guranies going into the internal market, the Central Bank will put up 240 guaranies, and the government will put up 80 guaranies. [Passage omitted]

Law 1166, which approved the nation's general budget for the present fiscal year, apportions 50.331 billion guaranies to this year's foreign debt payments. This sum is higher than is needed to meet this year's $185-million foreign obligations, because at the current rate of exchange of 160 guaranies per dollar for this operation, 29.6 billion guaranies will be sufficient. Therefore, the remaining 20.731 billion guaranies in the government's reserve fund will be used to cover the 80-guarani difference between the 240 guaranies per dollar exchange rate -- which the Central Bank will negotiate for the IBRD-supplied dollars -- and the 320-guarani per dollar exchange rate at which the government has agreed to negotiate. [passage omitted]